OMB NO. 1820-0030
Expires: 8-31-2015

ANNUAL STATE APPLICATION UNDER PART B OF THE INDIVIDUALS WITH DISABILITIES EDUCATION ACT AS AMENDED IN 2004 FOR FEDERAL FISCAL YEAR 2015

CFDA No. 84.027A and 84.173A

ED FORM No. 9055

UNITED STATES DEPARTMENT OF EDUCATION
OFFICE OF SPECIAL EDUCATION PROGRAMS
Washington, DC 20202-2600

Public Burden Statement

According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless such collection displays a valid OMB control number. Public reporting burden for this collection of information is estimated to average 14 hours per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. The obligation to respond to this collection is required to obtain a grant under Section(s) 611 and/or 619 of the Individuals with Disabilities Education Act. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the U.S. Department of Education, 400 Maryland Ave., SW, Washington, DC 20202-4536 or email ICDocketMgr@ed.gov and reference the OMB Control Number 1820-0030. Note: Please do not return the completed *Annual State Application under Part B of The Individuals with Disabilities Education Act as Amended in 2004* to this address.

Section I

A. Submission Statement for Part B of IDEA

Please select 1 or 2 below. Check 3 if appropriate.

_____ 1. The State provides assurances that it has in effect policies and procedures to meet all eligibility requirements of Part B of the Act as found in PL 108-446, the Individuals with Disabilities Education Act and applicable regulations (IDEA). The State is able to meet all assurances found in Section II.A of this Application.

__x___ 2. The State cannot provide assurances for all eligibility requirements of Part B of the Act as found in PL 108-446. The State has determined that it is unable to make the assurances that are checked as 'No' in Section II.A. However, the State assures that throughout the period of this grant award the State will operate consistent with all requirements of IDEA in PL 108-446 and applicable regulations. The State will make such changes to existing policies and procedures as are necessary to bring those policies and procedures into compliance with the requirements of the IDEA, as amended, as soon as possible, and not later than June 30, 2016. The State has included the date by which it expects to complete necessary changes associated with assurances marked 'No'. (Refer to Assurances found in Section II.A.)

Optional:

_____ 3. The State is submitting modifications to State policies and procedures previously submitted to the Department. These modifications are: (1) deemed necessary by the State, for example when the State revises applicable State law or regulations; (2) required by the Secretary because there is a new interpretation of the Act or regulations by a Federal court or the State's highest court; and/or (3) because of an official finding of noncompliance with Federal law or regulations.

B. Conditional Approval for Current Grant Year

If the State received conditional approval for the current grant year, check the appropriate statement(s) below:

1. Conditional Approval Related to Assurances in Section II.A:

__x___ a. Section II.A provides documentation of completion of all issues identified in the FFY 2014 conditional approval letter.

_____ b. As noted in Section II.A, the State has not completed all issues identified in the FFY 2014 conditional approval letter.

2. Conditional Approval Related to Other Issues:

_____ a. The State previously submitted documentation of completion of all issues identified in the FFY 2014 conditional approval letter.

_____ b. The State is attaching documentation of completion of all issues identified in the FFY 2014 conditional approval letter. *(Attach documentation showing completion of all issues.)*

_____ c. The State has not completed all issues identified in the FFY 2014 conditional approval letter. *(Attach documentation showing completion of any issues and a list of items not yet completed.)*

Section II

A. Assurances Related to Policies and Procedures

The State makes the following assurances that it has policies and procedures in place as required by Part B of the Individuals with Disabilities Education Act. (20 U.S.C. 1411-1419; 34 CFR §§300.100-300.174)

Check and enter date(s) as applicable		
Yes (Assurance is given.)	**No** (Assurance cannot be given. Provide date on which State will complete changes in order to provide assurance.)	**Assurances Related to Policies and Procedures**
X		1. A free appropriate public education is available to all children with disabilities residing in the State between the ages of 3 and 21, inclusive, including children with disabilities who have been suspended or expelled, in accordance with 20 U.S.C. 1412(a)(1); 34 CFR §§300.101-300.108.
X		2. The State has established a goal of providing a full educational opportunity to all children with disabilities and a detailed timetable for accomplishing that goal. (20 U.S.C. 1412(a)(2); 34 CFR §§300.109-300.110)
X		3. All children with disabilities residing in the State, including children with disabilities who are homeless or are wards of the State and children with disabilities attending private schools, regardless of the severity of their disabilities, and who are in need of special education and related services, are identified, located, and evaluated and a practical method is developed and implemented to determine which children with disabilities are currently receiving needed special education and related services in accordance with 20 U.S.C. 1412(a)(3); 34 CFR §300.111.
X		4. An individualized education program, or an individualized family service plan that meets the requirements of section 636(d), is developed, reviewed, and revised for each child with a disability in accordance with 34 CFR §§300.320 through 300.324, except as provided in §§300.300(b)(3) and 300.300(b)(4). (20 U.S.C. 1412(a)(4); 34 CFR §300.112)
X		5. To the maximum extent appropriate, children with disabilities, including children in public or private institutions or other care facilities, are educated with children who are not disabled, and special classes, separate schooling, or other removal of children with disabilities from the regular educational environment occurs only when the nature or severity of the disability of a child is such that education in regular classes with the use of supplementary aids and services cannot be achieved satisfactorily in accordance with 20 U.S.C. 1412(a)(5)(A)-(B); 34 CFR

Check and enter date(s) as applicable		
Yes (Assurance is given.)	**No** (Assurance cannot be given. Provide date on which State will complete changes in order to provide assurance.)	**Assurances Related to Policies and Procedures**
		§§300.114-300.120.
X		6. Children with disabilities and their parents are afforded the procedural safeguards required by 34 CFR §§300.500 through 300.536 and in accordance with 20 U.S.C. 1412(a)(6); 34 CFR §300.121.
X		7. Children with disabilities are evaluated in accordance with 34 CFR §§300.300 through 300.311. (20 U.S.C. 1412(a)(7); 34 CFR §300.122)
X		8. Agencies in the State comply with 34 CFR §§300.610 through 300.626 (relating to the confidentiality of records and information). (20 U.S.C. 1412(a)(8); 34 CFR §300.123)
X		9. Children participating in early intervention programs assisted under Part C, and who will participate in preschool programs assisted under this part, experience a smooth and effective transition to those preschool programs in a manner consistent with section 637(a)(9). By the third birthday of such a child, an individualized education program or, if consistent with 34 CFR §300.323(b) and section 636(d), an individualized family service plan, has been developed and is being implemented for the child. The local educational agency will participate in transition planning conferences arranged by the designated lead agency under section 635(a)(10). (20 U.S.C. 1412(a)(9); 34 CFR §300.124)
X		10. Agencies in the State, and the SEA if applicable, comply with the requirements of 34 CFR §§300.130 through 300.148 (relating to responsibilities for children in private schools), including that to the extent consistent with the number and location of children with disabilities in the State who are enrolled by their parents in private elementary schools and secondary schools in the school district served by a local educational agency, provision is made for the participation of those children in the program assisted or carried out under this part by providing for such children special education and related services in accordance with the requirements found in 34 CFR §§300.130 through 300.148 unless the Secretary has arranged for services to those children under subsection (f) [By pass]. (20 U.S.C. 1412(a)(10); 34 CFR §§300.129-300.148)
X		11. The State educational agency is responsible for ensuring that the requirements of Part B are met including the requirements of 34 CFR §§300.113, 300.149, 300.150 through 300.153, and 300.175 and 300.176 and that the State monitors and enforces the requirements of Part B in accordance with 34 CFR §§300.600-300.602 and 300.606-

Check and enter date(s) as applicable		Assurances Related to Policies and Procedures
Yes (Assurance is given.)	No (Assurance cannot be given. Provide date on which State will complete changes in order to provide assurance.)	
		300.608. (20 U.S.C. 1412(a)(11); 34 CFR §300.149)
X See new policies		12. The Chief Executive Officer of a State or designee of the officer shall ensure that an interagency agreement or other mechanism for interagency coordination is in effect between each public agency described in subparagraph (b) of 34 CFR §300.154 and the State educational agency, in order to ensure that all services described in paragraph (b)(1)(i) that are needed to ensure a free appropriate public education are provided, including the provision of such services during the pendency of any dispute under §300.154(a)(3). Such agreement or mechanism shall meet the requirements found in 20 U.S.C. 1412(a)(12)(A)-(C); 34 CFR §300.154.
X		13. The State educational agency will not make a final determination that a local educational agency is not eligible for assistance under this part without first affording that agency reasonable notice and an opportunity for a hearing. (20 U.S.C. 1412(a)(13); 34 CFR §300.155)
X		14. The State educational agency has established and maintains qualifications to ensure that personnel necessary to carry out this part are appropriately and adequately prepared and trained, including that those personnel have the content knowledge and skills to serve children with disabilities as noted in 20 U.S.C. 1412(a)(14)(A)-(E); 34 CFR §300.156.
X		15. The State has established goals for the performance of children with disabilities in the State that meet the requirements found in 20 U.S.C. 1412(a)(15)(A)-(C); 34 CFR §300.157.
X		16. All children with disabilities are included in all general State and districtwide assessment programs, including assessments described under section 1111 of the Elementary and Secondary Education Act of 1965, with appropriate accommodations and alternate assessments where necessary and as indicated in their respective individualized education programs as noted in 20 U.S.C. 1412(a)(16)(A)-(E); 34 CFR §300.160.
X		17. Funds paid to a State under this part will be expended in accordance with all the provisions of Part B including 20 U.S.C. 1412(a)(17)(A)-(C); 34 CFR §300.162.

Check and enter date(s) as applicable		
Yes (Assurance is given.)	**No** (Assurance cannot be given. Provide date on which State will complete changes in order to provide assurance.)	**Assurances Related to Policies and Procedures**
X		18. The State will not reduce the amount of State financial support for special education and related services for children with disabilities, or otherwise made available because of the excess costs of educating those children, below the amount of that support for the preceding fiscal year, unless a waiver is granted, in accordance with 20 U.S.C. 1412(a)(18)(A)-(D); 34 CFR §§300.163 through 300.164.
X		19. Prior to the adoption of any policies and procedures needed to comply with this section (including any amendments to such policies and procedures), the State ensures that there are public hearings, adequate notice of the hearings, and an opportunity for comment available to the general public, including individuals with disabilities and parents of children with disabilities. (20 U.S.C. 1412(a)(19); 34 CFR §300.165)
X		20. In complying with 34 CFR §§300.162 and 300.163, a State may not use funds paid to it under this part to satisfy State-law mandated funding obligations to local educational agencies, including funding based on student attendance or enrollment, or inflation. (20 U.S.C. 1412(a)(20); 34 CFR §300.166)
X		21. The State has established and maintains an advisory panel for the purpose of providing policy guidance with respect to special education and related services for children with disabilities in the State as found in 20 U.S.C. 1412(a)(21)(A)-(D); 34 CFR §§300.167-300.169.
X		22. The State educational agency examines data, including data disaggregated by race and ethnicity, to determine if significant discrepancies are occurring in the rate of long-term suspensions and expulsions of children with disabilities in accordance with 20 U.S.C. 1412(a)(22)(A)-(B); 34 CFR §300.170.
X		23a. The State adopts the National Instructional Materials Accessibility Standard for the purposes of providing instructional materials to blind persons or other persons with print disabilities, in a timely manner after the publication of the National Instructional Materials Accessibility Standard in the Federal Register in accordance with 20 U.S.C. 1412(a)(23)(A) and (D); 34 CFR §300.172.
		23b. *(Note: Check either "23b.1" or "23b.2" whichever applies.*
X		23b.1 The State educational agency coordinates with the National Instructional

Check and enter date(s) as applicable		Assurances Related to Policies and Procedures
Yes (Assurance is given.)	No (Assurance cannot be given. Provide date on which State will complete changes in order to provide assurance.)	
		Materials Access Center and not later than 12/03/06 the SEA as part of any print instructional materials adoption process, procurement contract, or other practice or instrument used for purchase of print instructional materials enters into a written contract with the publisher of the print instructional materials to: • require the publisher to prepare and, on or before delivery of the print instructional materials, provide to the National Instructional Materials Access Center, electronic files containing the contents of the print instructional materials using the National Instructional Materials Accessibility Standard; or • purchase instructional materials from the publisher that are produced in, or may be rendered in, specialized formats. (20 U.S.C. 1412(a)(23)(C); 34 CFR §300.172)
		23b.2 The State educational agency has chosen not to coordinate with the National Instructional Materials Access Center but assures that it will provide instructional materials to blind persons or other persons with print disabilities in a timely manner. (20 U.S.C. 1412(a)(23)(B); 34 CFR §300.172)
X		24. The State has in effect, consistent with the purposes of the IDEA and with section 618(d) of the Act, policies and procedures designed to prevent the inappropriate overidentification or disproportionate representation by race and ethnicity of children as children with disabilities, including children with disabilities with a particular impairment described in 34 CFR §300.8. (20 U.S.C 1412(a)(24); 34 CFR §300.173)
X		25. The State educational agency shall prohibit State and local educational agency personnel from requiring a child to obtain a prescription for a substance covered by the Controlled Substances Act (21 U.S.C. 812(c)) as a condition of attending school, receiving an evaluation under 34 CFR §§300.300 through 300.311, or receiving services under the IDEA as described in 20 U.S.C. 1412(a)(25)(A)-(B); 34 CFR §300.174.

B. Other Assurances

The State also makes the following assurances:

Yes	Other Assurances
X	1. The State shall distribute any funds the State does not reserve under 20 U.S.C. 1411(e) to local educational agencies (including public charter schools that operate as local educational agencies) in the State that have established their eligibility under section 613 for use in accordance with this part as provided for in 20 U.S.C. 1411(f)(1)-(3); 34 CFR §300.705.
X	2. The State shall provide data to the Secretary on any information that may be required by the Secretary. (20 U.S.C. 1418(a)(3); 34 CFR §§300.640-300.645.)
X	3. The State, local educational agencies, and educational service agencies shall use fiscal control and fund accounting procedures that insure proper disbursement of and accounting for Federal funds. (34 CFR §76.702)
X	4. As applicable, the assurance in OMB Standard Form 424B (Assurances for Non-Construction Programs), relating to legal authority to apply for assistance; access to records; conflict of interest; merit systems; nondiscrimination; Hatch Act provisions; labor standards; flood insurance; environmental standards; wild and scenic river systems; historic preservation; protection of human subjects; animal welfare; lead-based paint; Single Audit Act; and general agreement to comply with all Federal laws, executive orders and regulations.

C. Certifications

The State is providing the following certifications:

Yes	
X	1. The State certifies that ED Form 80-0013, *Certification Regarding Lobbying*, is on file with the Secretary of Education. With respect to the *Certification Regarding Lobbying,* the State recertifies that no Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the making or renewal of Federal grants under this program; that the State shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," when required (34 CFR Part 82, Appendix B); and that the State Agency shall require the full certification, as set forth in 34 CFR Part 82, Appendix A, in the award documents for all sub awards at all tiers.
X	2. The State certifies that certification in the Education Department General Administrative Regulations (EDGAR) at 34 CFR §76.104 relating to State eligibility, authority and approval to submit and carry out the provisions of its State application, and consistency of that application with State law are in place within the State.
X	3. The State certifies that the arrangements to establish responsibility for services pursuant to 20 U.S.C. 1412(a)(12)(A)-(C); 34 CFR §300.154 (or 20 U.S.C. 1412(a)(12)(A); 34 CFR §300.154(a) are current. This certification must be received prior to the expenditure of any funds reserved by the State under 20 U.S.C. 1411(e)(1); 34 CFR §300.171.

D. Statement

I certify that the State of North Carolina can make the assurances checked as 'yes' in Section II.A and II.B and the certifications required in Section II.C of this application. These provisions meet the requirements of the Part B of the Individuals with Disabilities Education Act as found in PL 108-446. The State will operate its Part B program in accordance with all of the required assurances and certifications.

If any assurances have been checked 'no', I certify that the State will operate throughout the period of this grant award consistent with the requirements of the IDEA as found in PL 108-446 and any applicable regulations, and will make such changes to existing policies and procedures as are necessary to bring those policies and procedures into compliance with the requirements of the IDEA, as amended, as soon as possible, and not later than June 30, 2015. (34 CFR §76.104)

I, the undersigned authorized official of the

Public Schools of North Carolina, Department of Public Instruction

(Name of State and official name of State agency)

am designated by the Governor of this State to submit this application for FFY 2015 funds under Part B of the Individuals with Disabilities Education Act (IDEA).

Printed/Typed Name and Title of Authorized Representative of the State: June St. Clair Atkinson, Ed.D., State Superintendent	
Signature:	Date:

Section III

Description of Use of Funds Under Part B of the Individuals with Disabilities Education Act - 20 U.S.C. 1411(e)(5); 34 CFR §300.171

States must provide the Description of Use of Funds by completing and submitting the Excel Interactive Spreadsheet with the 2015 Application.

Describe how the amount retained by the State educational agency under 20 U.S.C. 1411(e)(1) will be used to meet the following activities under Part B. (20 U.S.C. 1411(e)(1)-(3), (6) and (7)) The Department annually identifies for States the maximum amounts that a State may retain under Section 1411(e)(1) and (2).[1] The dollar amounts **listed in the Excel Interactive Spreadsheet** by the State for administration and for other State activities should add up to less or equal to the dollar amount provided to the State by the Department for each of these activities.

Enter whole dollar amounts (do not enter cents) in appropriate cells on the State's Excel Interactive Worksheet. The Excel Interactive Spreadsheet must be submitted as part of the State's application.

Describe the process used to get input from LEAs regarding the distribution of amounts among activities described in the Excel Interactive Spreadsheet to meet State priorities. (20 U.S.C. 1411(e)(5)(B); 34 CFR §300.704)

North Carolina uses the annual Directors' Institute, annual Conference, Regional Education Consultants, Director's Advisory Committee, Council on Educational Services for Exceptional Children and the EC Division website (public comment) for LEA input.

[1] Each State may reserve for each fiscal year not more than the maximum amount the State was eligible to reserve for State administration under this section for fiscal year 2004 or $800,000 (adjusted in accordance with 20 U.S.C. 1411(e)(1)(B)), whichever is greater; and each outlying area may reserve for each fiscal year not more than 5 percent of the amount the outlying area receives under 20 U.S.C. 1411(b)(1) for the fiscal year or $35,000, whichever is greater.

For each fiscal year beginning with fiscal year 2005, the Secretary shall cumulatively adjust: 1) the maximum amount the State was eligible to reserve for State administration under this part for fiscal year 2004; and 2) $800,000, by the rate of inflation as measured by the percentage increase, if any, from the preceding fiscal year in the Consumer Price Index For All Urban Consumers, published by the Bureau of Labor Statistics of the Department of Labor.

North Carolina

FFY 2015

REGULAR AWARD AMOUNT Est.		$327,670,085
TOTAL AWARD AMOUNT		$327,670,085
ADMINISTRATION		
Maximum Available for Administration.	Sec. III	$6,083,332
How much do you want to set aside for Administration in dollars?		$6,083,332 OK

You must distribute, in whole dollars, the amount you want to set aside for Administration among the following activities:

For the purpose of administering IDEA Part B including Preschool Grants under 20 U.S.C. 1419, a High Cost Fund, and the coordination of activities under Part B with, and providing technical assistance to, other programs that provide services to children with disabilities. (Note: These funds may be used for Administering but not Financing a High Cost Fund)

a. $6,083,332

For the administration of Part C of IDEA, if the SEA is the Lead Agency for the State under Part C.

b.

You may set aside a portion of your Administration funds resulting from inflation for the following 4 Other State-Level Activities. Additional funds for these purposes may also be set aside under Other State-Level Activities. Based on the amount that you propose to set aside for Administration, the maximum amount of Administration funds that you may use for these 4 activities is:

$1,352,067

For support and direct services, including technical assistance, personnel preparation, and professional development and training.

c.

To assist local educational agencies in providing positive behavioral interventions and supports and appropriate mental health services for children with disabilities.

d.

To assist local educational agencies in meeting personnel shortages.

e.

To support capacity building activities and improve the delivery of services by local educational agencies to improve results for children with disabilities.

f.

Subtotal, Administration funds used for Other State-Level Activities $0 OK

If you receive a Preschool Grant under 20 U.S.C. 1419, you may use Administration funds, along with other funds, to develop and implement a State policy jointly with the lead agency under Part C and the SEA to provide early intervention services (which must include an educational component that promotes school readiness and incorporates preliteracy, language, and numeracy skills) in accordance with Part C to children with disabilities who are eligible for services under the Preschool Grant program and who previously received services under Part C until such children enter, or are eligible under State law to enter, kindergarten, or elementary school as appropriate.

g.

The total of details for your Administration set-aside is $6,083,332 OK

OTHER STATE-LEVEL ACTIVITIES

If you propose to set aside more than $850,000 for Administration and you DO wish to use funds for a High Cost Fund, the maximum amount that you may use for Other State-Level Activities is:

$34,442,018

Of the amount you set aside for Other State-Level Activities at least 10% must be used for the High Cost Fund.

If you propose to set aside more than $850,000 for Administration and you DO NOT wish to use funds for a High Cost Fund, the maximum amount that you may use for Other State-Level Activities is:

$30,997,816

If you propose to set aside $850,000 or less for Administration and you DO wish to use funds for a High Cost Fund, the maximum amount that you may use for Other State-Level Activities is:

$36,164,118

Of the amount you set aside for Other State-Level Activities at least 10% must be used for the High Cost Fund.

If you propose to set aside $850,000 or less for Administration and you DO NOT wish to use funds for a High Cost Fund, the maximum amount that you may use for Other State-Level Activities is:

$32,719,917

Do you wish to use funds for a High Cost Fund? (Yes or No) yes

Based on the amount that you intend to set aside for Administration, the size of your total award, and your decision

TO use set aside funds to support a High Cost Fund, the maximum that you may use for Other State-Level Activities is: $34,442,018

How much do you want to set aside for Other State-Level Activities? $34,442,018 OK

You must distribute the amount you want to set aside for Other State-Level Activities the following activities. You can distribute amounts in any order you wish. The total balance remaining to be distributed at any time appears in red.

How much do you want to use for the High Cost Fund? $5,000,000 OK

You must use at least $3,444,202

Required Activities:

For monitoring, enforcement, and complaint investigation. (You must use at least $1 for this purpose) h. $2,750,000

To establish and implement the mediation process required by 20 U.S.C. 1415(e), including providing for the cost of mediators and support personnel. (You must use at least $1 for this purpose) i. $1,000,000

Optional Authorized Activities:

For support and direct services, including technical assistance, personnel preparation, and professional development and training j. $3,500,000

To assist local educational agencies in providing positive behavioral interventions and supports and appropriate mental health services for children with disabilities. k. $3,250,000

To assist local educational agencies in meeting personnel shortages. l. $2,500,000

To support capacity building activities and improve the delivery of services by local educational agencies to improve results for children with m. $4,000,000

To support paperwork reduction activities, including expanding the use of technology in the IEP process. n. $4,000,000

To improve the use of technology in the classroom by children with disabilities to enhance learning. o. $2,000,000

To support the use of technology, including technology with universal design principles and assistive technology devices, to maximize accessibility to the general education curriculum for children with disabilities. p. $2,000,000

Development and implementation of transition programs, including coordination of services with agencies involved in supporting the transition of children with disabilities to postsecondary activities. q. $200,000

Alternative programming for children with disabilities who have been expelled from school, and services for children with disabilities in correctional facilities, children enrolled in State-operated or State-supported schools, and children with disabilities in charter schools. r. $1,000,000

To support the development and provision of appropriate accommodations for children with disabilities, or the development and provision of alternate assessments that are valid and reliable for assessing the performance of children with disabilities, in accordance with Sections 1111(b) and 6111 of the Elementary and Secondary Education Act of 1965. s. $1,000,000

To provide technical assistance to schools and LEAs, and direct services, including supplemental educational services as defined in Section 1116(e) of the Elementary and Secondary Education Act of 1965 to children with disabilities, in schools or local educational agencies identified for improvement under Section 1116 of the Elementary and Secondary Education Act of 1965 on the sole basis of the assessment results of the disaggregated subgroup of children with disabilities, including providing professional development to special and regular education teachers, who teach children with disabilities, based on scientifically based research to improve educational instruction, in order to improve academic achievement to meet or exceed the objectives established by the State under Section 1111(b)(2)(G) of the Elementary and Secondary Education Act of 1965. t. $2,242,018

The total of details for your Other State-Level Activities set-aside is $34,442,018 OK

You are almost done.
If you are using money for a High Cost Fund. You must report how much you will use for each of the following two activities. You reported that you would use $5,000,000

To establish and make disbursements from the high cost fund to local educational agencies in accordance with 20 U.S.C. 1411(e)(3) during the first and succeeding fiscal years of the high cost fund. u. $5,000,000

To support innovative and effective ways of cost sharing by the State, by an LEA, or among a consortium of LEAs, as determined by the State in coordination with representatives from LEAs, subject to 20 U.S.C. 1411(e)(3)(B)(ii) (Amount may not be more than 5% of the amount reserved for the LEA Risk Pool.)	v.		
Establishment of High Cost Fund (20 U.S.C. 1411(e)(3)(B)(i) - A State shall not use any of the funds the State reserves pursuant to 20 U.S.C. 1411(e)(3)(A)(i), but may use the funds the State reserves under 20 U.S.C. 1411(e)(1), to establish and support the high cost fund			
Subtotal, High Cost Fund		$5,000,000	OK

Section IV

State Administration

Section 608(a) of the IDEA requires each State that receives funds under this title to:

(1) ensure that any State rules, regulations, and policies relating to this title conform to the purposes of this title;
(2) identify in writing to local educational agencies located in the State and the Secretary any such rule, regulation, or policy as a State-imposed requirement that is not required by this title and Federal regulations; and
(3) minimize the number of rules, regulations, and policies to which the local educational agencies and schools located in the State are subject under this title.

States must attach to this application a list identifying any rule, regulation, or policy that is State-imposed (not required by IDEA or Federal regulations). If there are no such State-imposed rules, regulations, or policies, please so indicate. In addition, the State is required to inform local education agencies in writing of such State-imposed rules, regulation or policy. (20 U.S.C. 1407(a); 34 CFR §300.199)

North Carolina State-Imposed Requirements.

34 CFR §300.153
North Carolina requires that the SEA may accept and resolve complaints regarding alleged continuous violations outside the one year time limit when extraordinary circumstances exist such as the parent not receiving a prior written notice or procedural safeguards and the child is denied a FAPE.

34 CFR §300.301
North Carolina requires a written referral to initiate an evaluation and provides assistance to a parent in completing a written referral upon an oral request for an initial evaluation.

34 CFR §300.303
North Carolina requires a reevaluation at least once every three years.

34 CFR §300.311
North Carolina requires that the IEP team consider intellectual development when determining whether, as part of the eligibility determination, a child does not achieve adequately.

34 CFR §300.320
North Carolina requires parent notification beginning not later than one year before the child reaches the age of majority of the rights that will transfer to the child upon reaching the age of majority.

34 CFR §300.322
North Carolina retains the provision to begin transition at age 14 (or younger; when appropriate).

34 CFR §300.324
North Carolina requires the parent to be provided with a revised copy of the IEP with the amendments incorporated.

34 CFR §300.504
North Carolina requires the issuance of procedural safeguards upon any revision to the content of the procedural safeguards notice.

34 CFR §300.507
North Carolina requires that a petition for a due process hearing must allege a violation that occurred not more than one year before the date the parent or local education agency knew or should have known about the alleged action that forms the basis of the due process petition.

34 CFR §300.508
North Carolina requires due process hearings to be conducted by the Office of Administrative Hearings and petitions to be filed with the Office of Administrative Hearings as well as with the other party.

34 CFR §300.510
North Carolina requires prior notice if a parent plans to be accompanied by an attorney at a resolution meeting.

34 CFR §300.530
North Carolina requires a review and modification, as necessary, of an existing behavioral intervention plan to address the behavior.

North Carolina policies include the following requirements for homebound services:

- Educational services means: (a) The necessary instructional hours per week in the form and format as determined by the child's IEP Team and consistent with federal and State law; (b) Related services included in the child's IEP; and (c) Behavioral intervention services to the extent required above the discipline procedures for the provision of services and determination that behavior was a manifestation.

- Homebound instruction means educational services provided to a student outside of the school setting.

- If a change of placement occurs, a student cannot be assigned to homebound instruction without a determination by the student's IEP Team that homebound instruction is the least restrictive alternative environment for the student.

- If the homebound instruction is determined to be the least restrictive alternative environment, the IEP Team is required to meet to determine the nature of the homebound educational services to be provided to the student.

- The designee or designees of the student's IEP Team conducts a monthly evaluation of the continued appropriateness of the homebound instruction.

34 CFR §300.624
North Carolina requires parents to be informed that personally identifiable information eligible for destruction may be needed by the parent or the child for social security benefits, legal defense, or other purposes and provided a copy of the record upon parent request.

NC 1508
North Carolina policies include requirements for class size and caseload.

Changes to North Carolina Policies Governing Services for Children with Disabilities, Amended July 2014

Policy pages	Change	Reason
3	Amend definition of Autism	**Aligns definition of autism with the IDEA regulations and wit the definition of the Diagnostic Statistical Manual V (DSM V). the change removes the various other diagnoses associated with Autism and uses only the broad category of Autism, which may be inclusive of these diagnoses**
41-42	Change the language related to the requirements of obtaining parents' consent to access their public insurance.	**The United states Department of Education issued new regulations related to obtaining parents' consent to access their public insurance.**
44-45	Remove language related to the requirement of Modified Achievement Standard	**The North Carolina ESEA waiver eliminates the Modified Achievement Standard effective the 2014-2015 school year. Additionally, the United States Department of Education (USDOE) has proposed regulations that will eliminate the Modified Achievement Standard.**
77-78	Remove language related to the requirement of Modified Achievement Standard	**The North Carolina ESEA waiver eliminates the Modified Achievement Standard effective the 2014-2015 school year. Additionally, the United States Department of Education (USDOE) has proposed regulations that will eliminate the Modified Achievement Standard.**

North Carolina Legislature Requirements.

HB 831: A Bill To Be Entitled An Act To Provide For The Education Of Children In Private Psychiatric Residential Treatment Facilities (PRTF)

- The PRTF funds are used to support educational programs at the residential treatment facility site. The minimum expectations are for those funds to support an Exceptional Children teacher and instructional materials and supplies in order to establish and maintain an Exceptional Children (EC) Program. The EC Program is approved and monitored through the NC Non-Public EC Program Approval process.

Section V

Maintenance of State Financial Support

Pursuant to the authority established in IDEA section 618(a)(3), each applicant for funds under section 611 must provide the following State fiscal data with a certification of its accuracy by the State budget office or an authorized representative thereof. Amounts should be shown in whole dollars and are for the State fiscal year.

Total Amount of State Financial Support Made Available for Special Education and Related Services for Children with Disabilities	
SFY 2013	782,219,125
SFY 2014	829,278,806

Philip Price

State Budget Officer or Authorized Representative (Printed Name)

Signature of State Budget Officer or Authorized Representative

Date