
Report to the Joint Legislative Education Oversight Committee

Report on Educational Performance of Children with Disabilities

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301 N. Wilmington Street :: Raleigh, North Carolina 27601-2825

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North Carolina
Part B Annual Performance Report (APR) for 2006
Submitted February 1, 2007
Edited February 19, 2007

Overview of the Annual Performance Report Development:

The North Carolina Department of Public Instruction (NCDPI), Exceptional Children Division gathered and analyzed data for the development of the Annual Performance Report (APR). Internal teams comprised of Exceptional Children Division staff were designated according to their expertise in specific monitoring priority areas. Teams within each monitoring priority area were further divided into sub-teams to respond to particular indicators. Each sub-team collected and analyzed data on the assigned indicator and presented the information to their monitoring priority team for evaluation and feedback. All monitoring priority teams reconvened and reported the information to the entire Exceptional Children staff and the stakeholder steering committee for review. The Council on Educational Services for Exceptional Children serves as the Stakeholder Steering Committee. Input and feedback were obtained from LEAs, universities, parent organizations and other state agencies in the stakeholder meeting held in August 2006 to select the areas for North Carolina's focused monitoring process in collaboration with the National Center for Special Education Accountability Monitoring. In addition North Carolina has a task force which includes local education agency (LEA) staff, parents and NCDPI personnel that meets regularly to work on disproportionate representation of minorities and culturally responsive practices. The Exceptional Children Division is partnering with The National Center for Culturally Responsive Educational Systems in this effort.

The North Carolina Department of Public Instruction (NCDPI), Exceptional Children Division will report on the progress and/or slippage in meeting the "measurable and rigorous targets" to the public in March, 2007. The Annual Performance Report will be posted on the NCDPI web page and distributed directly to the LEAs. It will also be made available to the media. The Exceptional Children Division will report on the performance of each local educational agency located in North Carolina on the targets in the State Performance Plan in May, 2007. The reports will be posted on the Department's website and will be sent to the LEAs and distributed to local and regional media.

Part B State Annual Performance Report (APR) 2005-2006 North Carolina

Overview of the Annual Performance Report Development:

Monitoring Priority: FAPE in the LRE

Indicator 1: Percent of youth with individualized education programs (IEPs) in the state graduating from high school with a regular diploma compared to percent of all youth in the state graduating with a regular diploma.

Measurement: The definition of NC graduation rate is stated in *Consolidated State Application Accountability Workbook, May 11, 2004*: "the percentage of students who graduate from high school with a regular diploma in the standard number of years." According to final regulations, "diploma" does not include "an alternative degree that is not fully aligned with the State's academic standards, such as a certificate or a GED." State Board of Education (SBE) Policy HSP-N-004 describes the requirements of a North Carolina diploma and provides evidence that North Carolina issues only one diploma to all students, regardless of which course of study the student successfully completes. See <http://sbepolicy.dpi.state.nc.us/> for a copy of this policy. The "standard number of years" will be defined as four years or less. Data source for 2002-03: The 2002-03 ABCs masterbuild files will be coded to reflect diploma recipients. The same files will indicate the date when students took End of Grade (EOG) tests in 8th grade. Calculating elapsed time between 8th grade EOG tests and diploma receipt will ascertain the number of years. Schools will be given the capability to manually record the necessary information for students that do not have 8th grade EOG data (e.g., students who moved into the state after the 8th grade or who previously attended private schools).

FFY	Measurable and Rigorous Target
2005 (2005-2006)	92% of youth with IEPs graduating from high school with a regular diploma

Actual Target Data for 2005-2006:

The Adequate Yearly Progress (AYP) graduation rate for all students in North Carolina for 2005-06 was 97.8% and the AYP graduation rate for students with disabilities was 93.9%.

Discussion of Improvement Activities Completed and Explanation of Progress or Slippage that occurred for 2005-06:

Through the Continuous Improvement Performance Plan (CIPP) process graduation data from each local education agency (LEA), state operating program (SOP), and Charter School has been analyzed and meetings are scheduled to review the data with each LEA. During those meetings effective strategies will be shared and LEAs will have opportunity to dialogue with each other for further ideas for improving graduation rates.

Explanation of Progress or Slippage:

There has been a 2% increase in the graduation rate of students with disabilities.

The North Carolina State Improvement Project II (NCSIP) provides personnel development and program support services to significantly improve the performance and success of students with disabilities in North Carolina. The rapidly growing NCSIP network includes the following LEA based centers and sites:

- Six reading and writing regional demonstration centers,
- 45 NCSIP II research-based sites that focus on reading and writing instruction,
- Three early literacy demonstration centers,
- Four regional mathematics instruction demonstration centers,
- Sixteen research-based mathematics instruction sites, and
- Approximately 292 schools providing school-wide Positive Behavior Supports.

Revisions, with Justification, to Proposed Targets / Improvement Activities / Timelines / Resources for 2005-06:

Many of the activities to decrease drop out rates have been utilized to improve graduation rates. North Carolina Department of Public Instruction (NCDPI) is collaborating with the National Dropout Prevention Center and the National Dropout Prevention Center for Students with Disabilities. Exceptional Children staff have attended national conferences and have participated in regional conference calls.

North Carolina Exceptional Children Division has developed a Focused Monitoring System with the focus areas being graduation and dropout rates with emphasis on the collaboration with transition services. The system will be piloted in four LEAs beginning in February 2007. Interviews will be conducted with former students that graduated the previous year to determine what strategies they found helpful for ensuring successful completion of high school. In addition, a review of the student's record will be conducted. The review will include the documenting of the level of service the student was receiving, the course of study in which they were enrolled, the IEP, and the transition component. The data gathered will be interpreted to determine patterns and trends of those that graduated with a diploma in comparisons to the students that dropped out of high school.

Part B State Annual Performance Report (APR) 2005-2006 North Carolina

Overview of the Annual Performance Report Development:

Monitoring Priority: FAPE in the LRE

Indicator 2: Percent of youth with IEPs dropping out of high school compared to the percent of all youth in the local education agency (LEA) dropping out of high school.

Measurement: Measurement for youth with IEPs should be the same measurement as for all youth. North Carolina calculated the dropout rate for all students grades 9-12, calculated the dropout rate for students with IEPs grades 9-12, and then compared the two rates.

FFY	Measurable and Rigorous Target
2005 (2005-2006)	Reduce dropout rate for youth with IEPs in grades 9-12 to 7.50%

Actual Target Data for 2005-2006:

The 2004-05 grades 9-12 dropout rate for youth with IEPs was 8.09% and the dropout rate for all youth was 4.74%. The 2005-06 Grades 9-12 dropout data and rates for all youth and youth with IEPs are not yet available. When the data are verified and approved for release by the State Board of Education, the data will be analyzed and the APR will be revised.

Discussion of Improvement Activities Completed and Explanation of Progress or Slippage that occurred for 2006-2006:

- Gathered and analyzed baseline data for 2004-05 for overall status and re-establishing targets.
- Reviewed each LEA's data and Continuous Improvement Performance Plan (CIPP) to begin making determinations about progress or slippage, effective improvement strategies and LEAs in need of assistance.
- Established collaboration with other divisions within Department of Public Instruction addressing dropout prevention for students in North Carolina Public Schools.
- Established collaboration with the National Dropout Prevention Center and the National Dropout Prevention Center for Students with Disabilities (e.g., conference attendance, participation in regional conference calls, etc.).
- Developed and distributed to LEAs a document on effective strategies for dropout prevention for students with disabilities and links to state and national resources.

Progress Discussion:

The number of youth with IEPs dropping out in grades 9-12 decreased from 2003-04 to 2004-05 by 77 students from 3,876 dropouts to 3,799 dropouts. The dropout rate for youth with disabilities in grades 9-12 decreased from 2003-04 to 2004-05 by 0.31% from 8.4% - 8.09%. Although the number of all youth dropping out of school in grades 9-12 increased by 140 students from 20,035 to 20,175 students, the dropout rate for all youth in grades 9-12 decreased by 0.12 % from 4.86% - 4.74%. The difference between dropout rates in grades 9-12 for all youth and for youth with IEPs decreased by 0.19% from a 3.54% difference to a 3.35% difference. According to the 2004-05 data, 48 of 115 traditional LEAs (41.74%) and 24 of 28 charter schools (85.71%) had a grades 9-12 dropout rate for youth with IEPs that is at or below the 2005-06 performance target of 7.50%.

Revisions, with Justification, to Proposed Targets / Improvement Activities/Timelines/ Resources for 2005-2006:

1. Baseline Data for FFY 2003-04 has been replaced in the State Performance Plan (SPP) with 2004-05 data that became available after the SPP submission in December 2005.
2. The measurement in the SPP was changed from using a representation rate of students with disabilities in the dropout rate for all youth to using the dropout rate for youth with IEPs in grades 9-12 as compared to the State's dropout rate for all youth grades 9-12. This change matches the Indicator, as stated, and is clearer and easier to understand than the discussion regarding the representation rate of students with disabilities within the dropout rate.
3. Targets in the SPP have been re-established to reflect the 2004-05 baseline data that became available after the SPP submission and the revised measurement that matches the indicator.
4. Some of the improvement strategies in the SPP have been revised to better address the 2004-05 baseline data, revised measurement and targets.

Part B State Annual Performance Report (APR) 2005-2006 North Carolina

Monitoring Priority: FAPE in the LRE

Indicator 3: Participation and performance of children with disabilities on statewide assessments:

- A. District data indicates that the LEA met the State's AYP objectives (reading and math) for progress for disability subgroup.
- B. Participation rate for children with IEPs.
- C. Proficiency rate for children with IEPs.

Measurement:

- A. District data indicates that the LEA met the State's AYP objectives (reading and math) for progress for the disability subgroup (children with IEPs).
- B. Participation rate =
 - a. # of children with IEPs in grades assessed.
- C. Proficiency rate =
 - a. # of children with IEPs in grades assessed.

FFY	Measurable and Rigorous Target		
2005 (2005-2006)	A. Percentage of Districts Meeting AYP: 15.0%		
	Grade	Reading	Math
	3	99.6	99.6
	4	99.6	99.6
	5	99.6	99.6
	6	99.4	99.2
	7	99.2	99.0
	8	98.9	98.7

	B. Overall Participation Rate:	10	95.0	95.0
	C. Overall Proficiency Rate:			

Grade	Reading	Math
3	56.0	61.3
4	53.9	70.3
5	62.3	62.9
6	48.4	58.9
7	53.8	49.3
8	58.4	48.3
10	17.0	47.6

Actual Target Data for 2005-06:

A. Percentage of Districts Meeting AYP:		13.1 %		+ 3.3%	
B. Overall Participation Rates:		Reading	Difference	Math	Difference
Grade 3		98.9	-0.7%	99.1	-0.5%
Grade 4		98.9	-0.7%	99.0	-0.6%
Grade 5		98.8	-0.8%	98.9	-0.7%
Grade 6		98.4	-0.9%	98.4	-0.7%
Grade 7		98.3	-0.8%	98.0	-0.9%
Grade 8		98.0	-0.7%	98.0	-0.6%
Grade 10		87.9	-5.1%	89.3	-5.7%

C. Overall Proficiency Rates:	Reading	Difference	Math	Difference
Grade 3	55.9	+4.9%	46.9	-14.4%
Grade 4	53.7	+4.8%	39.4	-30.9%
Grade 5	60.8	+3.5%	35.1	-27.8%
Grade 6	48.2	+4.8%	31.6	-27.0%
Grade 7	55.0	+6.2%	31.0	-18.3%
Grade 8	56.4	+3.0%	30.0	-18.3%
Grade 10	16.5	+2.5%	45.0	+1.4%

Discussion of Improvement Activities Completed and Explanation of Progress or Slippage that occurred for 2005-2006:

- Using the State Report Card, LEAs' data were reviewed and selected LEAs were identified as needing targeted assistance. Consultants, focusing on those LEAs, provided assistance through professional development, consulting and program reviews.
- Using Assessment Data at DPI, LEAs have been identified that are achieving good results. Practices noted to be effective in those LEAs include one or more activities: Positive-Behavior Support, Response to Intervention, State Improvement Project research based reading and math programs and Instructional Consult Teams. This will continue during the 2006-2007 school year.
- Assessment data were reviewed and LEAs were targeted to provide technical assistance for both regular and alternate assessments.
- Exceptional Children Division Staff reviewed Positive Behavior Support data, State Improvement Project data, Response to Intervention data, and Instructional Consult Teams data determining best practices and sharing that information with other LEAs. This will continue for the 2007-2008 school year through staff development and technical assistance in LEAs.
- Information about which systems and practices increase academic achievement of students with disabilities has and continues to be disseminated through the DPI/EC Division website as well as the NC State Improvement Project website. Information has also been shared at regional meetings as well as meetings for Positive Behavior Support, Response to Intervention LEA teams.
- Training for universal design is being developed as a foundation for effective teaching practices.
- NC DPI Accountability Services Division staff continuously monitor LEAs' use of procedural safeguards to reduce mis-administrations.

Explanation of Progress/Slippage:

- A. Percentages of Districts meeting AYP: There was a 3.3% increase in the number of LEAs (17) that made AYP for students with disabilities. Concurrently, there was a 5.7% increase in the number of LEAs that had a students with disabilities subgroup for AYP (40 or more students with disabilities in grades 3-8 or grade 10). The increase in the number of LEAs was due to an additional seven (7) Charter Schools that had a subgroup for students with disabilities. While the State made progress in this area, it was shy of its 2005-06 target of 15% by 1.9%.

- B. Participation Rates: A less than 1% slippage at each grade level 3 – 8 in reading and math participation rates for students with disabilities occurred. This is largely due to student medical exemptions and absences as well as test mis-administrations. Even with this slight slippage in participation rates, the rates at each of these grade levels remains above the required 95% participation rate. Grade 10 participation rates for reading and math dropped by 5.1% and 5.7% respectively. In addition to the aforementioned reasons for a decrease in participation rates, grade 10 rates for 2005-06 were banked scores.
- C. Proficiency Rates: Reading proficiency rates for students with disabilities increased at each grade level 3 – 8. Increases ranged from 3.0% in grade 8 to 6.2% in grade 7. While only grade 7 proficiency rates met the State's 2005-06 target, grades 3, 4, & 6 missed those grade level targets by 0.1%, 0.2% and 0.2% respectively. Math proficiency rates decreased substantially due to the changes to the state math curriculum and the resetting of the state math standards in 2005 - 06, increasing their rigor. Decreases ranged from a low of 14.4% at grade 3 to a high of 30.9% at grade 4. Although slightly below established targets for 2005-06, grade 10 reading and math proficiency rates increased by 2.5% and 1.4% respectively.

Corrective Action Districtwide Assessments – Summary of Spring 2006 Survey of LEAs

Since the onsite verification visit of July 2005, the Exceptional Children Division and the Accountability Division have collaborated 1) to gather data documenting the administration and reporting of districtwide assessments, 2) to develop a monitoring process to ensure compliance with the requirements of 300. and 3) to provide technical assistance to LEAs regarding administration and reporting the results of districtwide assessments.

In the spring of 2006, LEAs were surveyed on whether they administered districtwide assessments and, if so, if students with disabilities were included, both in participation and reporting. Of the 164 responding LEAs, 62% (n=105) did administer districtwide assessments. Of those 105 LEAs that did administer districtwide assessments, 47 (45%) administered alternate assessments to children with disabilities whose IEP teams determined that they cannot participate in the standard administration of the districtwide assessment even with accommodations. Of those LEAs that administer districtwide assessments and publicly report the results, 71% report with the same frequency and detail as they report on the assessment of nondisabled children the number of children with disabilities participating in regular assessments, and 57% publicly report the number of those children with disabilities who were provided accommodations in order to participate in those assessments. Of those LEAs that administer districtwide assessments 57% publicly report the number of children with disabilities participating in alternate assessments that are aligned with the State's challenging academic content standards and challenging academic achievement standards, and 57% report the number of children with disabilities participating in alternate assessments based on alternate achievement standards. The performance of children with disabilities on regular assessments and on alternate assessments compared with the achievement of all children, including children with disabilities, on those assessments is reported by 52% of those LEAs that publicly report districtwide assessment results. Of those LEAs that report the results for students who take the alternate assessments, 75% include these scores with the results for other students.

Monitoring of districtwide assessments will be conducted through the Continuous Improvement Performance Plan. Annually each LEA submits the CIPP which aligns with the State Performance Plan /Annual Performance Report. Each LEA will indicate whether or not it administered districtwide assessments during the school year; if so, will indicate whether students with disabilities participated in regular assessment with or without accommodations; will indicate whether students with disabilities, as appropriate, participated in alternate assessments against grade level standards; will indicate the number of students that participated in alternate assessments against alternate grade standards; and will indicate, if results are reported, whether the results of students with disabilities were reported with the same frequency. Following the

submission of this information in the CIPP, verification of the data will be conducted as a part of onsite visits.

For the 2005-2006 school year, LEAs indicating through the initial survey that they conducted districtwide assessments, but did not have alternate assessments in place for those students with disabilities who were unable to access the assessment, were administered another survey to verify their compliance with the requirements.

Of the LEAs that reported in spring of 2006 that they administered districtwide assessments, but did not have alternate assessments in place, 33 reported in January 2007 that they continue to administer alternate assessments. 76% of those LEAs now have alternate assessments in place for students with disabilities who are unable to access the districtwide assessment. The remaining 24% of the LEAs do not currently have an alternate in place, but are in the process of developing such an assessment.

Revisions, with Justification, to Proposed Targets / Improvement Activities / Timelines / Resources for 2004-05 through 2010:

1. The 2004-05 baseline data was revised to: a) provide districts making Adequate Yearly Progress (AYP) on all AYP objectives, as required, rather than disaggregated by reading and math AYP objectives only; and b) provide students' (with IEPs) participation and proficiency rates on statewide assessments disaggregated by grade levels 3, 4, 5, 6, 7, 8, & 10, as required, rather than grades 3-8 & 10 aggregated.
2. The measurable and rigorous targets for 2005 – 2010 have been reset as follows: a) meeting AYP on all AYP objectives, rather than disaggregated by reading and math AYP objectives only; b) participation and proficiency rates on statewide assessments disaggregated by grade levels 3, 4, 5, 6, 7, 8, & 10 rather than grades 3-8 & 10 aggregated. This reflects the revisions to the baseline data as noted in # 1 above. Also, significant changes to the state math curriculum and a resetting of the math standards occurred for 2005-06, increasing their rigor.
3. All districts that administer districtwide assessments have not developed alternate assessments for students with disabilities who need them. Strategies to address districtwide assessments have been added to the SPP.

Part B State Annual Performance Report (APR) 2005-2006 North Carolina

Overview of the Annual Performance Report Development:

Monitoring Priority: FAPE in the LRE

Indicator 4: Rates of suspension and expulsion:

- A. Percent of districts identified by the State as having a significant discrepancy in the rates of suspensions and expulsions of children with disabilities for greater than 10 days in a school year; and
- B. Percent of districts identified by the State as having a significant discrepancy in the rates of suspensions and expulsions of greater than 10 days in a school year of children with disabilities by race and ethnicity.

(20 U.S.C. 1416(a)(3)(A); 1412(a)(22))

Measurement:

- A. Percent = # of districts identified by the State as having significant discrepancies in the rates of suspensions and expulsions of children with disabilities for greater than 10 days in a school year divided by # of districts in the State times 100.
- B. Percent = # of districts identified by the State as having significant discrepancies in the rates of suspensions and expulsions for greater than 10 days in a school year of children with disabilities by race ethnicity divided by # of districts in the State times 100.

Include State's definition of "significant discrepancy."

FFY	Measurable and Rigorous Target
2005 (2005-2006)	A. 10.2% of LEAs with a rate of suspensions and expulsion of children with disabilities greater than 10 days in a school year that is twice the state average rate or greater.

Actual Target Data for 2005-06:

2.6% (3) of the traditional local education agencies (LEAs) had a significant discrepancy in the rates of suspensions and expulsions of children with disabilities for greater than 10 days in a school year in the 2005-06 school year.

Discussion of Improvement Activities Completed and Explanation of Progress or Slippage that occurred for 2005-06:

Since the data for 2004-05 were not available until July, 2006, it could not be analyzed to identify LEAs that needed targeted technical assistance. A survey was developed to ask LEAs about their effective practices in reducing discipline issues, but few were returned.

- The Behavioral Support Section Consultants have begun to meet with representatives of LEAs to go over discipline and behavior program information to help LEAs reduce suspension rates.
- As a result of the continuing Positive Behavior Support Initiative, the total short term suspensions in the state are beginning to decrease.
- Each school system has developed a plan, as part of its Continuous Improvement Performance Plan, with the assistance of state and regional personnel. Each plan addresses this indicator with specific strategies that are implemented at the local level.
- The staff of the Exceptional Children Division has revised the procedures for identifying students with disabilities as having behavioral and emotional disabilities as well as the form and instructions for doing so. The optional form for determining Manifestation Determination and the instructions for use of that form have also been revised. The State has decided to continue to require the functional behavior assessment and behavior intervention plan for students even when the behavior is not a manifestation of the disability in order to help improve student behavior and reduce suspensions.
- All policies, procedures and practices were reviewed. North Carolina Procedures Governing Programs and Services for Children with Disabilities is being revised, and the staff of the Exceptional Children Division has created a Best Practice Document about discipline issues for students with disabilities.

Progress Made: North Carolina's progress on this indicator was + 8.7%, and the State exceeded its target by + 7.6%. Only three (3) LEAs had a significant discrepancy in the rate of suspensions and expulsion of children with disabilities greater than 10 days in 2005-06. Two of the three districts were LEAs with a significant discrepancy during 2004-05. Both of these school districts reduced their rates of suspensions and expulsion of children with disabilities greater than 10 days in a school year for 2005-06. One decreased its rate from 2.91% to 2%, and the other district decreased its rate from 3.26% to 2.30%. The LEA that did not have a significant discrepancy during 2004-05 increased its rate from 0% to 2.56%. This school district has a relatively small student population of children with disabilities (704), so that less than 10 children with disabilities with suspensions and expulsions greater than 10 days constituted a rate of more than twice the state average rate.

Revisions, with Justification, to Proposed Targets / Improvement Activities / Timelines / Resources for 2004-05 baseline data and 2005-2010 targets.

1. The State's definition for "significant discrepancy" was changed from an overrepresentation of students with disabilities in the overall rate of suspensions and expulsions of children with disabilities greater than 10 days to two times the state average rate of suspensions and expulsions of children with disabilities greater than 10 days. The original definition was difficult to understand, and the resulting rates were confusing to readers and didn't match the indicator. The new definition for "significant discrepancy" is easier to understand and provides data that is more meaningful and better reflects the indicator.
2. The change in definition for "significant discrepancy" resulted in a different type of rate. Therefore, the baseline data for 2004-05 and the 2005 through 2010 targets had to be revised.

Part B State Annual Performance Report (APR) 2005-2006 North Carolina

Overview of the Annual Performance Report Development:

Monitoring Priority: FAPE in the LRE

Indicator 5: Percent of children with IEPs aged 6 through 21:

- A. Removed from regular class less than 21% of the day;¹
- B. Removed from regular class greater than 60% of the day; or
- C. Served in public or private separate schools, residential placements, or homebound or hospital placements.

(20 U.S.C. 1416(a)(3)(A))

Measurement:

- A. Percent = [(# of children with IEPs removed from regular class less than 21% of the day) divided by the (total # of students aged 6 through 21 with IEPs)] times 100.
- B. Percent = [(# of children with IEPs removed from regular class greater than 60% of the day) divided by the (total # of students aged 6 through 21 with IEPs)] times 100.
- C. Percent = [(# of children with IEPs served in public or private separate schools, residential placements, or homebound or hospital placements) divided by the (total # of students aged 6 through 21 with IEPs)] times 100.

FFY	Measurable and Rigorous Target
2005 (2005-2006)	Measurement A: 60.59% Measurement B: 17.27% Measurement C: 2.23%

Actual Target Data for 2005:

- Measurement A: 61.56% - (.97% increase)
- Measurement B: 16.82% - (.45% decrease)
- Measurement C: 2.27% - (.04% increase)

¹ At the time of the release of this package, revised forms for collection of 618 State reported data had not yet been approved. Indicators will be revised as needed to align with language in the 2005-2006 State reported data collections.

Discussion of Improvement Activities Completed and Explanation of Progress or Slippage that occurred for 2005:

An analysis of December 2005 Child Count LRE data disaggregated by disability by setting was completed. At least 50% of students with mental retardation (mild, moderate, severe) and autism are removed from regular class greater than 60% of the day. The greatest percentages of students in each of the other disability areas, except Deaf-Blind, are removed from regular class less than 21% of the day.

Guidance for LEAs in determining LRE has been embedded in both instructions for use of forms and in IEP training provided by the SEA on an annual basis since 1999. The SEA is in the midst of revising its forms, accompanying instructions, and IEP training to conform to the 2006 IDEA regulations. An updated training component regarding LRE determination will be developed by February 2007 and implemented in all LEAs via a train-the-trainer model by May 2007.

NC met and exceeded its targets for Measurement A and Measurement B. Gains in areas A and B may be attributed to the following efforts:

NC's PTI, Exceptional Children Assistance Center (ECAC) provided eight parent trainings. Brochures assisting parents with "Questions to ask at an IEP meeting" were distributed statewide. Positive Behavior Support (PBS) DVDs produced by ECAC were distributed to parents, schools and Institutes of Higher Education (IHE).

LEAs involved with the State Improvement Project (SIP II) as reading /writing sites, increased from 35 to 50. SIP II personnel received 30 hours of research to practice professional development in reading. Six Literacy Consultant positions have been added to provide technical assistance and support of quality literacy instruction. Twenty LEAs are involved with SIP II as math sites. Personnel from these sites received 30 hours of research to practice professional development in math.

School-wide PBS is being implemented in over 150 schools. Six PBS Coordinators are available to support implementation.

Ten elementary schools from five LEAs are piloting RTI. Training teams from forty LEAs received professional development in the RTI process and instructional strategies. This training included research-based interventions for students in the regular education setting.

There are eight LEAs (15 teams) implementing the Instructional Consultation Team model.

Slippage in Measurement C (.04%) is due to several factors. The number of children in the state and nation with significant mental health and physical challenges continues to grow. Historically, the LEAs have devoted a significant amount of focus and energy to providing additional separate settings in which to serve those children, and to improving the quality of services within those settings. Channeling those energies in the direction of less restrictive settings represents a significant paradigm shift, which has taken more time to accomplish than anticipated. Building capacity in the less restrictive settings to serve these children, while simultaneously maintaining services in their existing settings, is a gradual process that did not yield a positive net result in the first year. Different settings in area C require different strategies, and we will assist LEAs in further disaggregating their data and customizing their strategies for each sub-setting. Immediate positive growth in all sub-settings may not be realistic. We anticipate positive movement in the Home/Hospital and Public Separate areas this year, which should positively impact the indicator as a whole.

Corrective Action

Data from the Continuous Improvement Performance Plan were collected and analyzed for the LEAs reported in the corrective action progress reports. These data were reviewed for compliance with the requirements to document the teams' decisions related to least restrictive environment. 1,078 records were reviewed. Of the record review, 1,036 records included justification statements that were compliant. This represents a compliance rate of 98%.

**Revisions, with Justification, to Proposed Targets / Improvement Activities / Timelines /
Resources for 2005-06**
[If applicable]

Part B State Annual Performance Report (APR) 2005-2006 North Carolina

Overview of the Annual Performance Report Development:

Monitoring Priority: FAPE in the LRE

Indicator 6: Percent of preschool children with IEPs who received special education and related services in settings with typically developing peers (e.g. early childhood settings, home, and part-time early childhood/part-time early childhood special education settings).

Measurement:

Percent = # of preschool children with IEPs who received special education services in settings with typically developing peers divided by the total # of preschool children with IEPs times 100.

FFY	Measurable and Rigorous Target
2005 (2005-2006)	73% of preschool children with IEPs will receive special education and related services in settings with typically developing peers.

Actual Target Data for 2005-06:

78% of preschool children with IEPs received special education and related services in settings with typically developing peers. This is an 8% increase from the 2004-05 baseline data (70%) and a 5% increase over the 2005 target (73%).

Discussion of Improvement Activities Completed and Explanation of Progress or Slippage that occurred for 2005-06:

According to the December 1, 2005 child count for children 3-5, the following educational settings were reported with typically developing peers: Regular Early Childhood Settings: 14,816; Part-time Early Childhood Settings: 610; Home: 335 and Reverse Mainstreaming: 326 for a total of 16,087 children who were served in inclusive settings. The children in Reverse Mainstreaming were in the Developmental Day classrooms which are run and located in the public schools and which provide inclusive classrooms for those LEAs. The total number of 3-5 year olds turned in on the December 1, 2005 child count was 20,543. Using the same settings that were used for the 2004 baseline data, this calculates to 78% of the children with IEPs receiving special education and related services in settings with typically developing peers. Progress was made due to several factors: The numbers of children served in this age range decreased by 623 children. This was due to increased services in the Part C system and a leveling off of identified preschool children. North Carolina generally serves about 5.8% of its preschool children, and it was assumed at some point that the increases of the last 20 years would eventually level off. Also, more preschool children with disabilities are served in regular kindergarten; more children are now blended with the More at Four Program for at-risk 4 year olds; and more 3 year olds are

served in the child care centers they attend, since the LEAs have limited options for public school inclusive classrooms for 3 year olds.

The improvement activities were to report the breakdown of preschool service settings on the 619 grant application which was an integral part of the 2005-06 Preschool Grant Application. The SEA was going to highlight inclusive practices in the *2005-06 Profile of Preschool Services for Children with Disabilities*, which was distributed to all LEAs during April of 2006. NC did highlight quality inclusive preschool programs through its model literacy sites in all 6 educational regions of the state. Positive recognition was given to the LEAs that provided total inclusive options to preschool children by dedicating the Profile book to these 53 LEAs (out of 115) and congratulating them on the Preschool Coordinator list serve. Training and workshops were provided to the LEAs through the More at Four Program in conjunction with the Exceptional Children Division preschool staff, through Partnerships for Inclusion out of the Frank Porter Graham Institute, and during the Preschool Coordinators Annual Meeting in the fall of 2005. The Birth-Kindergarten Consortium held an entire meeting to discuss the issue of placing student teachers in inclusive settings and how they could assist the LEAs on this process. Work has begun with the ICC committee on inclusion and with CECAS to better analyze the preschool setting data.

Revisions, with Justification, to Proposed Targets / Improvement Activities / Timelines / Resources for 2005-06

NC reported that a training and TA plan would be developed to assist those LEAs that were having difficulty with inclusion. The plan was not developed due to the extensive work expected of the preschool staff during 05-06 on outcomes, Indicator 7; the changes and revisions in the CECAS system to allow for better LEA access of data; and the re-organization of the Preschool staff into the Office of School Readiness. A systematic plan will be developed in 2007-08 to address those LEAs still primarily offering only segregated options.

Part B State Annual Performance Report (APR) for 2005-06 North Carolina

Overview of the Annual Performance Report Development:

Monitoring Priority: Early Childhood Transition

Indicator 12: Percent of children referred by Part C prior to age 3 and who are found eligible for Part B who receive special education and related services by their third birthday.

Measurement:

- a. # of children who have been served in Part C and referred to Part B for eligibility determination
- b. # of those referred determined to be not eligible by their third birthday
- c. # of those found eligible who are receiving services on their third birthday
- d. # of children for who parent refusal to provide consent caused delays in evaluation or initial services.

Account for children included in "a" but not included in "b" or "c". Percent = "c" divided by "a" - "b" times 100

FFY	Measurable and Rigorous Target
2005 (2005-2006)	100% of children referred by Part C prior to age 3 and who are found eligible for Part B will receive special education and related services by their third birthday.

Actual Target Data for 2005-06:

The data collected for the time period July 1, 2005 though June 30, 2006 are as follows:

- a. # of children who have been served in Part C and referred to Part B for eligibility determination: **3,322**
- b. # of those referred determined to be not eligible by their third birthday: **361**
- c. # of those found eligible who are receiving services on their third birthday: **1,434**
- d. # of children for whom parent refusal to provide consent caused delays in evaluation or initial services: **200**

An analysis of these data revealed the following:

- 3,322 students were served in Part C and referred to preschool program for eligibility determination (a)
- 1,795 (b + c) of the 3,322 students had eligibility determinations by their third birthday
- 1,527 students are included in "a" but not in "b" or "c".
- Of these 1,527 students, 1,377 were served in Part C, found eligible for Part B but did not have an IEP in place prior to age 3. The remaining 150 students are included in "a" but not in "b" or "c" for the following reasons: children were determined not eligible after their

third birthday, children transferred before eligibility could be determined, parents didn't respond to district contacts, or parents declined services.

Percent = "c" divided by "a" - "b" times 100: 48.4%

Discussion of Improvement Activities Completed and Explanation of Progress or Slippage that occurred for 2005-06:

The improvement activities were as follows:

1. Formed Transition Task Force with Part C (Children's Developmental Services Agency, CDSA), LEAs and state staff to develop a transition document to reflect all the changes in the Part C system and the fact that the LEAs will have to do the evaluations for children transitioning from Part C to Preschool. (Since NC began serving preschool children with disabilities, the Developmental Evaluation Centers under Part C had done all the evaluations for children transitioning from Part C to Preschool.) A Part C notification form to the LEAs, along with a Draft Transition document, was distributed to Part C and Preschool service providers.
2. Began to plan for regional trainings through a contract with Partnerships for Inclusion (PFI) for the 06-07 school year. PFI provided technical assistance (TA) to LEAs around smooth transitions.
3. Re-organized the Interagency Coordinating Council (ICC) committees around the Part C and Preschool Indicators, and the Transition Committee began meeting with PFI staff.
4. Gathered and reported LEA data in the *Profile on Services for Preschool Children with Disabilities* on the % of children coming from Part C, about best transition practices and whether joint training was occurring between Part C and Preschool.
5. From the information gathered in the LEA Preschool Grant applications, provided written comments to each LEA about having written transition plans and timelines and information provided to parents.
6. Conducted many on-site consultations, phone conversations and distribution of materials around providing smooth transitions for children and families.

Because of the many changes that have occurred in the transition process in the Part C system, North Carolina expected the transition data to show little improvement. The SEA knew that until a state transition document was drafted and circulated and staff development occurred, there would continue to be issues around having IEPs in place by the third birthday.

According to the data gathered on the number of children who were served in Part C, found eligible for Part B but did not have an IEP in place by third birthday (1,373 children out of 3,322 that were referred), the main reason for the delay was that Part C did not refer the child in time for the LEA to determine eligibility and write the IEP by the child's third birthday (479). Other significant reasons for delays included: LEAs did not hold the IEP meeting by the child's third birthday (261 students); evaluations were not completed by the evaluation agency in a timely manner (226 students); and parents did not show up for the evaluation (200 students).

The following is a list of the many issues which contributed to NC not meeting 100% compliance of Indicator 12:

1. Due to the re-organization of Part C, most of the CDSAs were not doing many preschool evaluations and due to their expanded numbers, did not have the time to provide training to school psychologists. LEAs did not have the expertise or the funding to take on this additional role of completing evaluations on very young children.
2. During the period when CDSAs were adjusting to their new responsibilities, there was no uniform transition process between CDSAs and LEAs. Timelines were not met, schools

were not always invited to transition meetings and evaluations were not being completed by schools in a timely manner. Some CDSAs still provided some evaluations for the schools and some did not.

3. There was no new Transition Process in place during 05-06. A transition team was meeting but the process was not completed and distributed until the summer of 06.
4. Schools received a small amount of other federal dollars to assist in their new responsibility to do evaluations, but the amount was not enough and was not known far enough in advance to have a system in place to do the evaluations.
5. Due to the changes in the Part C system, all documents that contributed to smooth transitions for families and service providers became obsolete, and Part C and Preschool determined that it was not feasible to create new documents until the transition process became more finalized.

Revisions, with Justification, to Proposed Targets / Improvement Activities / Timelines / Resources for 2005-06:

NC will continue working toward 100% compliance with all eligible children transitioning from Part C to Preschool having an IEP in place by the third birthday. Below is a list of improvement activities to begin in the 2006-07 school year.

1. Written information will be distributed on the Preschool List Serve about the transition process through a Draft Transition Document. This document will be circulated through the Part C and Part B system.
2. Discussions of the Transition Document will occur at regional meetings and at the Preschool Coordinators Annual Meeting.
3. The Transition Task Force of ICC will meet with PFI to plan 3 regional meetings in the spring of 2007, begin to write a 5 year transition plan, and make plans to re-do the Transition Booklet in English and Spanish (when the Transition Document is finalized).
4. Local Interagency Coordinating Councils (LICCs) will focus on appropriate transition practices between Part C and Part B.
5. Plans will be completed to provide staff development for school psychologists to receive training on doing assessments with children developmentally birth to five.
6. There will be focused TA for those LEAs having a difficult time working with the CDSAs to provide smooth transition in a timely manner and to disseminate information about those LEAs that have made the transition process work.
7. NC will continue gathering information about transition from the LEA Preschool Grant Applications to better inform state staff of where to provide targeted assistance.
8. The state monitoring team will focus on transition when preschool records are being monitored.
9. Work will begin with Part C to study the number of parents that do not want to pursue preschool services and what issues are involved with their decisions.
10. Collect and analyze data for July 1 through December 15, 2006 to determine LEAs that are not meeting the requirement. Provide targeted technical assistance to those LEAs.

Part B State Annual Performance Report (APR) 2005-2006 North Carolina

Overview of the Annual Performance Report Development:

Monitoring Priority: Effective General Supervision Part B / General Supervision

Indicator 15: General supervision system (including monitoring, complaints, hearings, etc.) identifies and corrects noncompliance as soon as possible but in no case later than one year from identification.

(20 U.S.C. 1416 (a)(3)(B))

Measurement:

Percent of noncompliance corrected within one year of identification:

- a. # of findings of noncompliance.
 - b. # of corrections completed as soon as possible but in no case later than one year from identification.
- Percent = [(b) divided by (a)] times 100.

For any noncompliance not corrected within one year of identification, describe what actions, including technical assistance and enforcement actions that the State has taken.

FFY	Measurable and Rigorous Target
2005 (2005-2006)	100% identification and correction of noncompliance as soon as possible, but not later than one year from identification.

Actual Target Data for 2005-06:

The data identifying compliance/noncompliance for the thirty-seven (37) LEAs that entered the Continuous Improvement Focused Monitoring Process in FFY 2004-05 and submitted a Self-Assessment in February 2006 are documented on the tables attached. Table 1 includes the number of records audited and the rates of compliance/noncompliance in eleven areas of the Internal Record Review. Table 2 documents the compliance/noncompliance citations from the Internal Record Reviews from 2004-05 and 2005-06 and the correlation to the SPP monitoring priority areas.

The Internal Record Reviews documented progress in correcting noncompliance within one year of identification in the following areas:

- Referrals (3.01) from 93% to 94%;
- Screenings and Evaluations (4.01) from 84% to 89%;
- Reevaluations (4.02) from 85% to 89%;

- Eligibility/Placement (5.00) from 90% to 92%;
- IEP Development (2.02), (6.00), (6.01), (6.02), (6.04) from 68% to 75%;
- Confidentiality (6.03) from 95% to 98%;
- Procedural Safeguards (9.01), (9.02) from 93% to 96%;
- Parent Participation (6.05a-f) from 82% to 83% and;
- Disciplinary Suspensions (9.03) from 98% to 99.5%.

Slippage occurred in two areas:

- IEP Implementation (6.04a-d) from 94% to 93% and
- FAPE/LRE (7.01), (7.02), (7.03), (7.04), (7.05) from 95% to 93%.

Discussion of Improvement Activities Completed and Explanation of Progress or Slippage that occurred for 2005-06:

The following activities have been completed and/or are in process:

- Technical assistance documents have been developed and distributed to provide assistance to LEAs, charter schools, and SOPs on the implementation of the new regulations.
- The Policy, Monitoring and Audit section developed a matrix for reviewing the Continuous Improvement Performance Plan (CIPP) to identify areas of compliance/noncompliance.
- Training sessions have been developed by the Consultants for Dispute Resolution in conjunction with the Exceptional Children Assistance Center (ECAC) for parents, advocates, lawyers and school personnel addressing federal regulations with particular attention to areas of noncompliance documented through the complaint process.
- Twenty-two on-site verification visits focused on identifying disproportionate representation due to inappropriate identification within the EMD and BED populations were conducted.
- NCDPI Exceptional Children personnel are in the process of revising procedures and guidelines for the LEAs to meet the requirements of IDEA 2004.
- In January 2006, NCDPI Exceptional Children Division began working with the National Center for Special Education Accountability Monitoring (NCSEAM) on reviewing and analyzing the monitoring system in North Carolina. A comprehensive focused monitoring system has been developed and will be piloted in 4 LEAs in the spring of 2007.

Progress/Slippage:

The LEAs developed and implemented corrective action activities in the areas of identified noncompliance. The largest gains in correcting noncompliance were in the areas with the highest rates of identified noncompliance in 2004-05. The implementation of these activities appears to have improved results within those LEAs. The gains experienced in parent participation, while there was progress, were not as large as the other areas that were below 90%. Across the different mechanisms for general supervision, IEP Development and IEP Implementation continue to have the highest rates of noncompliance.

Revisions, with Justification, to Proposed Targets / Improvement Activities / Timelines / Resources for 2005-06:

The SEA has revised the Continuous Improvement Focused Monitoring System from a four phase process to a three phase process. As national requirements have changed some of the phases that were in the original monitoring system began to blend together. All of the traditional LEAs, the three state operated programs and 97 of the charter schools have completed a self-assessment. The CIPP and the VI-B Plan that each LEA has to complete contain the same areas as the self-assessment. The Self-Assessment Phase is being retained because there have been several instances of charter schools closing and then being replaced by new ones. A charter school will not be required to complete a Self-Assessment until it has been in operation for two years.

Corrective Action

In the Annual Performance Report (APR) submitted March 2005, the state education agency (SEA) reported data on students with disabilities being invited and participating in the decision making process during transition planning meetings. Emphasis in these two areas will be continued in addition to gathering baseline data on the percent of youth aged 16 and above with an IEP that includes coordinated, measurable, annual IEP goals and transition services that will reasonably enable the student to meet post-secondary goals.

Compliance monitoring for transition requirements was conducted by means of on-site verification visits in the fall of 2005. A random sampling of student records (ages 14-21) was reviewed to verify that students were invited to attend their IEP meeting when transition was discussed, each student's record contained a transition component, and if students participated in the meetings. In May 2006, Continuous Improvement Performance Plans (CIPP) submitted by the LEAs that were visited were reviewed again for the same monitoring components. At that time there was a compliance rate of 90.2% for inviting students to the IEP and a compliance rate of 90.2% for having transition components. Each LEA had to resubmit an Internal Record Review in December 2006. The record review for the same LEAs documented a compliance rate of 98.03% for students being invited to IEP meetings when transition was discussed and a compliance rate of 97.22% for students 14 and above having a transition component added to their IEP. Most records that were noncompliant were those of students who turned 14 during the duration of the IEP. North Carolina is maintaining the requirement that the transition component be a part of the IEP when the student turns 14.

Table 1**Indicator 15**

	2004-05				2005-06				Progress/ Slippage
	# C	# NC	% C	Total	# C	# NC	% C	Total	
Referrals (3.01)	1508	110	93%	1616	1117	70	94%	1187	+1%
Screenings/Evaluations (4.01.a-o)	1370	246	84%	1616	1059	128	89%	1187	+5%
Reevaluations (4.02)	1384	232	85%	1616	1066	121	89%	1187	+4%
Eligibility/Placement (5.00)	1446	170	90%	1616	1088	99	92%	1187	+2%
IEP Development (2.02), (6.00), (6.01), (6.02), (6.04)	1121	495	68%	1616	898	289	75%	1187	+7%
Confidentiality (6.03)	1540	80	95%	1616	1159	28	98%	1187	+3%
IEP Implementation (6.04 a-d)	1517	99	94%	1616	1101	86	93%	1187	-1%
Procedural Safeguards (9.01), (9.02)	1514	102	93%	1616	1141	46	96%	1187	+3%
Parent Participation (6.05 a-f)	1326	290	82%	1616	989	198	83%	1187	+1%
FAPE/LRE (7.01), (7.02), (7.03), (7.04), (7.05)	1537	79	95%	1616	1100	87	93%	1187	-2%
Disciplinary Suspensions (9.03)	1583	33	98%	1616	1182	5	99.5%	1187	+1.5%

Table 2**Compilation Table for Indicator #15****Number of Records Reviewed from 37 LEAs:****FFY 2004-2005 1616****FFY 2005-2006 1187**

		FFY 2004-2005			FFY 2005-2006			Comparison
Indicator	Monitoring Mechanism	# Compliant	# Non- Compliant	% Compliant	# Compliant	# Non- Compliant	% Compliant	Progress/Slippage
1. Percent of youth with IEPs graduating from high school with a regular diploma. <u>Record Review Related Area:</u> IEP Development IEP Implementation Procedural Safeguards Parent Participation FAPE/LRE	Data Review: Self-Assessment and CIPP:IRR	1403	213	87%	1045	142	88%	+1%
	On-site Visit:							
	Focused Monitoring:	NA	NA	NA	NA	NA	NA	
2. Percent of youth with IEPs dropping out of high school. <u>Record Review Related Area:</u> IEP Development IEP Implementation Procedural Safeguards Parent Participation FAPE/LRE	Data Review: Self-Assessment and CIPP:IRR	1403	213	87%	1045	142	88%	+1%
	On-site Visit:							
	Focused Monitoring:	NA	NA	NA	NA	NA	NA	

		FFY 2004-2005			FFY 2005-2206			Comparison
Indicator	Monitoring Mechanism	# Compliant	# Non- Compliant	% Compliant	# Compliant	# Non- Compliant	% Compliant	Progress/Slippage
3. Participation and performance of children with disabilities on statewide assessments. <u>Record Review Related Area:</u> IEP Development IEP Implementation FAPE/LRE Procedural Safeguards Discipline	Data Review: Self-Assessment and CIPP:IRR	1454	162	90%	1084	103	91%	+1%
	On-site Visit: EMD BED				188 115	22 41	90% 74%	
	Focused Monitoring:	NA	NA	NA	NA	NA	NA	
4. Rates of suspension and expulsion <u>Record Review Related Area:</u> Eligibility/Placement FAPE/LRE IEP Development Disciplinary Suspensions IEP Implementation	Data Review: Self-Assessment and CIPP:IRR	1440	176	89%	1074	113	90%	+1%
	On-site Visit:							
	Focused Monitoring:	NA	NA	NA	NA	NA	NA	
5. Percent of children with IEPs aged 6 through 21 – educational placements <u>Record Review Related Area:</u> Referrals Screenings/Evaluations Eligibility/Placement IEP Development FAPE/LRE	Data Review: Self-Assessment and CIPP:IRR	1396	220	86%	1090	97	92%	+6%
	On-site Visit:							
	Focused Monitoring:	NA	NA	NA	NA	NA	NA	

		FFY 2004-2005			FFY 2005-2206			Comparison
Indicator	Monitoring Mechanism	# Compliant	# Non- Compliant	% Compliant	# Compliant	# Non- Compliant	% Compliant	Progress/Slippage
6. Percent of preschool children who received special education and related services in settings with typically developing peers <u>Record Review Related Area:</u> Referrals Screenings/Evaluations Eligibility/Placement IEP Development FAPE/LRE	Data Review: Self-Assessment and CIPP:IRR	1396	220	86%	1090	97	92%	+6%
	On-site Visit:							
	Focused Monitoring:	NA	NA	NA	NA	NA	NA	
7. Percent of preschool children with IEPs who demonstrated improved outcomes NEW INDICATOR NO DATA 2004-05	Data Review: Self-Assessment and CIPP:IRR							
	On-site Visit:							
	Focused Monitoring:							
8. Percent of parents with a child receiving special education services who report that schools facilitated parents' involvement	Data Review: Self-Assessment and CIPP:IRR	1363	253	84%	1046	141	88%	+4%
	On-site Visit:							

		FFY 2004-2005			FFY 2005-2206			Comparison
Indicator	Monitoring Mechanism	# Compliant	# Non- Compliant	% Compliant	# Compliant	# Non- Compliant	% Compliant	Progress/Slippage
<u>Record Review Related Area:</u> Evaluation/Due Process Procedural Safeguards Eligibility/Placement IEP Development NEW INDICATOR NO DATA 2004-05	Focused Monitoring:							
9. & 10. Percent of districts with disproportionate representation of racial and ethnic groups in special education <u>Record Review Related Area:</u> Referral Eligibility/Placement Screenings/Evaluation NEW INDICATOR NO DATA 2004-05	Data Review: Self-Assessment and CIPP:IRR, VI B Grant	1441	175	89%	1087	100	92%	+3%
	On-site Visit: EMD BED				188 115	22 41	90% 74%	
	Focused Monitoring:							
11. Percent of children with parental consent to evaluate, evaluated within State-established timelines <u>Record Review Related Area:</u> Screenings/Evaluation Procedural Safeguards NEW INDICATOR NO DATA 2004-05	Data Review: Self-Assessment and CIPP:IRR	1442	174	89%	1099	88	93%	+4%
	On-site Visit:							
	Focused Monitoring:							

		FFY 2004-2005			FFY 2005-2206			Comparison
Indicator	Monitoring Mechanism	# Compliant	# Non- Compliant	% Compliant	# Compliant	# Non- Compliant	% Compliant	Progress/Slippage
12. Percent of children referred by Part C prior to age 3 have an IEP developed and implemented by their third birthday <u>Record Review Related Area:</u> IEP Development IEP Implementation	Data Review: Self-Assessment and CIPP:IRR	1319	297	82%	1000	187	84%	+2%
	On-site Visit:							
	Focused Monitoring:	NA	NA	NA	NA	NA	NA	
13. Percent of youth aged 16 and above with IEP that includes coordinated, measurable, annual IEP goals and transition services that will reasonably enable student to meet the post-secondary goals NEW INDICATOR NO DATA 2004-05	Data Review: Self-Assessment and CIPP:IRR						60%	
	On-site Visit:							
	Focused Monitoring:							
14. Percent of youth who had IEPs, are no longer in secondary school and who have been competitively employed, enrolled in some type of postsecondary school, or both, within one year of leaving high school NEW INDICATOR NO DATA 2004-05	Data Review: Self-Assessment and CIPP:IRR							
	On-site Visit:							
	Focused Monitoring:							

Table for #15B

Monitoring Priority: Effective General Supervision Part B		
Indicator	Measurement Calculation	Explanation
15. General supervision system (including monitoring, complaints, hearings, etc.) identifies and corrects noncompliance as soon as possible but in no case later than one year from identification. B. Percent of noncompliance related to areas not included in the above monitoring priority areas and indicators corrected within one year of identification: a. # of findings of noncompliance made related to such areas. b. # of corrections completed as soon as possible but in no case later than one year from identification. Percent = b divided by a times 100.	a = 66 b = 85 $b/a = 66/85 = .78$ $.78 \times 100 = 78\%$	Areas of noncompliance citations: Voluntarily enrolled children Certified personnel Extended school year Content of procedural safeguards Independent Ed. Evaluation IEP Team Determination of related services Confidentiality

Table for Indicator #15C

Monitoring Priority: Effective General Supervision Part B		
Indicator	Measurement Calculation	Explanation
15. General supervision system (including monitoring, complaints, hearings, etc.) identifies and corrects noncompliance as soon as possible but in no case later than one year from identification. C. Percent of noncompliance identified through other mechanisms (complaints, due process hearings, mediations, etc.) corrected within one year of identification: a. # of agencies in which noncompliance was identified through other mechanisms. b. # of findings of noncompliance made. c. # of corrections completed as soon as possible but in no case later than one year from identification. Percent = c divided by b times 100.	a = 13 b = 26 c = 24 $24/26 = 92\%$ 92% of noncompliance identified through other mechanisms were corrected in a timely manner	13 agencies had issues in the dispute resolution system. There were 26 findings of noncompliance in the following areas: 3 written notice 12 IEP content 4 ESY 2 progress reporting 5 discipline 24 of the findings were corrected within one year from identification The areas in which correction was still outstanding were IEP content and ESY

Part B State Annual Performance Report (APR) 2005-2006 North Carolina

Overview of the Annual Performance Report Development:

Monitoring Priority: Effective General Supervision Part B/General Supervision

Indicator 16: Percent of signed written complaints with reports issued that were resolved within 60-day timeline or a timeline extended for exceptional circumstances with respect to a particular complaint.

(20 U.S.C. 1416(a)(3)(B))

Measurement:

Percent = [(1.1(b) + 1.1(c)) divided by 1.1] times 100.

FFY	Measurable and Rigorous Target
2005 (2005-2006)	100% of signed written complaints with reports issued that were resolved within 60-day timeline or a timeline extended for exceptional circumstances with respect to a particular complaint.

Actual Target Data for 2005-2006:

- 63 signed, written complaints were filed.
 - o 18 complaints were withdrawn or dismissed.
 - o 0 complaints were pending at the end of the year.
 - o 45 reports with findings were issued.
 - 35 reports were issued within the timeline;
 - 4 reports were issued with extended timelines; and
 - 6 reports were issued beyond the timeline without extensions.

Eighty-seven percent (87%) of the complaint investigation reports were issued within the 60-day timeline or a timeline extended for exceptional circumstances. This number reflected a 10% improvement over the number of complaint reports issued within the timeline in 2004-2005. However, the numbers fell short of the Measurable and Rigorous Target by 13%.

The EC Division received 46 fewer formal written complaints in FFY 2005 than the previous year, which reflected a decrease of 42%.

The EC Division investigated 23% more of the complaints received in FFY 2005 than in 2004.

Discussion of Improvement Activities Completed and Explanation of Progress or Slippage that occurred for 2006-2007:

Improvement Activities:

The Division's Consultants for Dispute Resolution provided intensive training about dispute resolution to the parent trainers and advocates from the state parent training resource centers (Exceptional Children's Assistance Center and F.I.R.S.T), the Arc, and the Autism Society of North Carolina. The training focused on the differences between a formal complaint, mediation, and a request for a due process hearing, and clarification on how and when each different dispute resolution process should be requested, including the information that should be provided in a request.

Those trainers and advocates encouraged parents to seek alternative dispute resolution methods such as facilitated IEP meetings and mediation before filing a complaint, and they assisted some of the parents in writing complaints or petitions for hearings that contained the necessary information.

The Division attributed the 42% decrease in the number of complaints received in FFY 2005 - 2006 and the 23% increase in the number of complaints investigated to the training, the Division's implementation of facilitated IEP meetings, and the provision of mediation. Of the 122 facilitated IEP requests filed, 96 meetings were facilitated. At those facilitated meetings, 76 reached full consensus and 18 more reached partial consensus.

Explanation of Slippage:

Two complaint investigators were employed full-time to review and prepare written responses to each formal complaint submitted to the EC Division, investigate complaints, and prepare investigation reports. Those two individuals also managed data entry on the dispute resolution databases; the production of dispute resolution reports; writing the contracts and scheduling mediation, facilitated IEP meetings, and second-tier due process appeals; and communicating with parents, LEAs, and the Office of Administrative Hearings. One part-time investigator was contracted to conduct six investigations when the full-time investigators' caseloads were excessive. The dispute resolution section shares a secretary with four other staff members.

Five of the six complaint reports, which exceeded the timelines were completed between April 28 and June 20, 2006. The slippage was primarily due to lack of adequate manpower to serve as a backup when the Division received an excessive number of complaints, requests for mediation, and/or due process requests, or when the complaint investigators were away from the office because of illness or carrying out other job functions. Between April 24, 2006, and June 20, 2006, the two complaint investigators were responsible for processing the following: 20-30 incoming telephone calls from parents and advocates, 10 requests for due process hearings, 1 appeal of a due process hearing decision, 16 mediation requests, 33 facilitated IEP requests, 5 new formal written complaints, and 9 complaint investigations and reports.

Revisions, with Justification, to Proposed Targets / Improvement Activities / Timelines / Resources for 2006-2007

The Division staff will continue to explore ways to improve the approval and signing of intake letters and investigation reports, which delays their being mailed. A new complaint investigator was employed in September 2006. We will review and revise the internal operating procedures for processing complaint paperwork and to address the assignment of complaints, which should assure compliance with the timelines.

Part B State Annual Performance Report (APR) 2005-2006 North Carolina

Overview of the Annual Performance Report Development:

Monitoring Priority: Effective General Supervision Part B / General Supervision

Indicator 17: Percent of fully adjudicated due process hearing requests that were fully adjudicated within the 45-day timeline or a timeline that is properly extended by the hearing officer at the request of either party.

(20 U.S.C. 1416(a)(3)(B))

Measurement:

Percent = $[(3.2(a) + 3.2(b)) \text{ divided by } 3.2] \text{ times } 100$.

FFY	Measurable and Rigorous Target
2005 (2005-2006)	100% of fully adjudicated due process hearing requests that were fully adjudicated within the 45-day timeline or a timeline that is properly extended by the hearing officer at the request of either party.

Actual Target Data for 2005-06:

67% of the fully adjudicated due process hearing requests were fully adjudicated within the 45-day timeline or a timeline that was properly extended by the hearing officer at the request of either party.

3 hearing requests were fully adjudicated.

1 decision was issued within the 45-day timeline.

1 decision was issued with a properly extended timeline.

1 decision was issued 4 days after the 45-day timeline.

Discussion of Improvement Activities Completed and Explanation of Progress or Slippage that occurred for 2005-2006:

The actual target data was 33% short of the goal of 100%; however, it reflected a 17% increase over the previous year's target data.

The EC Division provided specialized training for the Administrative Law Judges (ALJs) in the new IDEA statute and regulations, particularly the requirements related to due process hearings. We paid for the Chief Administrative Law Judge and two additional ALJs to attend Seattle University's *Institute for Hearing Officers* in June 2006. At the end of November 2006, they attended one full day of training by a national trainer on the new IDEA and regulations and one day of training on due process hearings specifically for the ALJs. The Chief ALJ required all the ALJs to attend both days of training. The North Carolina Legislature approved the addition of another ALJ position to assist the Office of Administrative Hearings (OAH) in meeting the timeline requirements.

The OAH employed a part-time clerk in February 2006 to monitor the open due process cases and assist the staff with issuing properly extended timelines and decisions. The Dispute Resolution Consultant communicated weekly with the clerical staff at OAH regarding the status of an open case and to remind them of timelines, when necessary.

The North Carolina General Assembly appointed a legislative subcommittee to rewrite the General Statutes for special education so that they would be aligned with the IDEA. The violations of the due process hearing timelines were of particular concern to the committee. The EC Division developed reports, drafted legislation, worked closely with the subcommittee members and their staff members, and spoke at each of the committee meetings in order to monitor the progress of the changes and to ensure that the legislation would allow for the necessary changes in the statutes related to due process. The subcommittee adopted many of the Division's recommendations, including the requirement that a Memorandum of Understanding would be developed by the OAH and the Division.

The EC Division developed and disseminated forms and guides related to due process, resolution meetings, and mediation to all EC program directors at their annual meeting.

Revisions, with Justification, to Proposed Targets / Improvement Activities / Timelines / Resources for 2005-2006

A Memorandum of Understanding (MOU) was developed and negotiated with the Office of Administrative Hearings from August through November 2006. It was signed by the EC Division Director and the Chief ALJ on November 18, 2006. The MOU states that the Division will meet bi-monthly with the ALJs to review progress, refine the processes utilized by the two agencies, and to develop internal procedures for meeting timelines. The clerks at the OAH will fax copies of all petitions, decisions, and Orders granting extensions to the Division on the day that they are received and/or prepared, and the two agencies will communicate weekly about the status of cases. The Division will provide annual training at a national conference and ongoing local training to the ALJs who are assigned to hear due process cases.

The new general statutes, which were signed by the Governor on July 10, 2006, require the EC Division to provide annual reports to the legislature regarding the due process timelines and compliance with IDEA.

The Dispute Resolution Consultant will refine the forms for requesting a hearing, responding to the invitation for a resolution session, reporting the results of a resolution session, and other documents which provide simple guidelines regarding due process hearings for parents and EC program directors. Those documents will be distributed to the EC program directors, parents, and attorneys who represent parties in due process hearings, and annual training sessions will be conducted throughout the state.

Due Process Data from July 1, 2006 – December 30, 2006.

- 25 requests for due process hearings have been filed.
- 0 hearings have been conducted.
 - o 21 cases were resolved and withdrawn.
 - 14 resolution sessions were conducted with 10 resolution agreements.
 - 6 mediation sessions were conducted with 3 settlement agreements.
 - 4 cases remain open.
- 20 cases were closed within the 45 days.
- 1 case was withdrawn with properly extended timelines.

Part B State Annual Performance Report (APR) 2005-2006 North Carolina

Overview of the Annual Performance Report Development:

Monitoring Priority: Effective General Supervision Part B / General Supervision

Indicator 19: Percent of mediations held that resulted in mediation agreements.

(20 U.S.C. 1416(a)(3)(B))

Measurement:

Percent = $[(2.1(a)(i) + 2.1(b)(i)) \text{ divided by } 2.1] \text{ times } 100$.

FFY	Measurable and Rigorous Target
2005 (2005-2006)	Mediations resulting in agreements: 84%

Actual Target Data for 2005-06:

In 2005-06, 71% (62 mediations held, 44 resulted in agreements) of mediations held resulted in mediation agreements.

Discussion of Improvement Activities Completed and Explanation of Progress or Slippage that occurred for 2005-06:

During the 2004-05 year, 76 mediations were held and the success rate was 84%. During the 2005-06 year, 62 mediations were held and the success rate dropped to 71%. This slippage is attributed to two highly successful alternative options, i.e. the new facilitated IEP team meeting program and the resolution session, which effectively resolved many conflicts that formerly went to mediation. Consequently, the more entrenched and contentious cases are going to mediation and not reaching agreement at the rate we would like to see. All other variables are the same, including the same cadre of mediators.

The NC Facilitated IEP Team Meeting Program has been widely utilized and enormously successful. During the first year of operation (2005-06), there were 125 requests for the service with the following results: 77% reached consensus; 2% did not reach consensus, 15% of the requests were withdrawn as the parties reached agreement prior to the IEP meeting; and 6% of the requests did not go forward as one of the parties declined to participate in a facilitated meeting. Halfway through the second year of operation (12/20/06), we have received 114 requests with 80% of the meetings held reaching consensus.

Of the 56 petitions for due process hearings filed during the 2005-06 year, 29 resolution sessions were held and of these, 25 reached agreement and withdrew the petition (86% success rate).

Revisions, with Justification, to Proposed Targets / Improvement Activities / Timelines / Resources for 2005-06:

No revisions are needed at this time.

Part B State Annual Performance Report (APR) 2005-2006 North Carolina

Overview of the Annual Performance Report Development:

Monitoring Priority: Effective General Supervision Part B / General Supervision

Indicator 20: State reported data (618 and State Performance Plan and Annual Performance Report) are timely and accurate.

(20 U.S.C. 1416(a)(3)(B))

Measurement:

State reported data, including 618 data and annual performance reports, are:

- a. Submitted on or before due dates (February 1 for child count, including race and ethnicity; placement; November 1 for exiting, discipline, personnel; and February 1 for Annual Performance Reports); and
- b. Accurate (describe mechanisms for ensuring error free, consistent, valid and reliable data and evidence that these standards are met).

FFY	Measurable and Rigorous Target
2005 (2005-2006)	100 percent of State reported data (618 and Annual Performance Report) were timely and accurate.

Actual Target Data for 2005-06:

Data were collected from the December 1 Child Count, September Exiting Count, Personnel Survey, Discipline (Suspensions/Expulsions), Report on the Participation and Performance of Students with Disabilities on State Assessments, State Performance Plan (SPP) and the Annual Performance Report (APR).

Child Count and Exiting Count – Data were collected through the Comprehensive Exceptional Children Accountability System (CECAS). Data reliability was ensured through validations on the data entry process and validations in the reporting process. Data entry validations ensured that users were protected from entering inconsistent data. Reporting validations utilized advanced algorithms to ensure counts were unique and student moves (between school systems) did not result in duplicated student counts. Additionally, LEA Exceptional Children Directors were required to review the reported numbers and submit the data for NCDPI to obtain an electronic signature. If the Exceptional Children Director designated personnel to submit the data, a verification form was required from the Exceptional Children Director and mailed to NCDPI. The Child Count was collected from December 1st through December 15th. The Exiting Count was collected from September 11th through September 21st. The Exceptional Children Division hired two CECAS Helpdesk personnel to the NCDPI CECAS team to assist LEAs with the reporting process. Information regarding the reliability and validity of CECAS can be found at <http://www.nccecas.org>.

Report of the Participation and Performance of Students with Disabilities on State Assessments – All Assessment data were collected by the Accountability Services Division.

The aggregated Part B 618 State Assessment Report was obtained from the Reporting Section in the Accountability Services Division-Data Stewards of all NCDPI Assessment data. The North Carolina State Board of Education Policies and Legislative Requirements for the NC Testing Program can be found at <http://www.ncpublicschools.org/accountability/policies/general> . The Accountability Division had its own mechanisms in place to ensure that the assessment data were valid and reliable. The documents that outline the accuracy and reliability of assessment data can be found at <http://www.ncpublicschools.org/accountability/policies/shared/testsecurity>.

Discipline – Although disaggregated discipline data were collected, an aggregated Part B 618 discipline data report was obtained from the Agency Operations and Management Division—Data Stewards of all NCDPI Discipline data. Mechanisms were in place to ensure that the discipline data were valid and reliable. The document that outlines the accuracy and reliability of discipline data can be found at <http://www.ncpublicschools.org/schoolimprovement/alternative/reports/>

Personnel – Disaggregated personnel data were collected from school systems via a Personnel Survey Web Application. Personnel data were aggregated at NCDPI. Mechanisms were in place to ensure that the personnel data were valid and reliable. Some features of the Personnel Web Survey included: (1) prevented respondents from completing the survey more than once, and (2) statistics could be downloaded into Excel for easy analysis.

State Performance Plan (SPP) - North Carolina made changes to several indicators in the State Performance Plan (SPP). Therefore, North Carolina will submit a revised SPP on February 1, 2007.

Annual Performance Report (APR) – North Carolina will submit the APR on or before February 1, 2007.

Discussion of Improvement Activities Completed and Explanation of Progress or Slippage that occurred for 2005-2006:

During 2006, North Carolina had a total of 6 spreadsheets that were due to WESTAT and OSEP, including: (1) IDEA (Child Count), (2) Environment, (3) Assessment, (4) Exiting, (5) Personnel, and (6) Discipline. Eighty-three percent (5 out of 6 spreadsheets) were reported in a timely and accurate manner.

Child Count and Exiting Data

The December 1 Child Count was submitted to WESTAT on or before February 1, 2006. A copy was also mailed to the Office of Special Education Programs (OSEP). The Exiting Report was submitted to WESTAT on or before November 1, 2006. A copy was also mailed to OSEP. North Carolina identifies students as Multi-cultural. A WESTAT formula for calculating these students into the 5 racial/ethnic categories recognized by OSEP created significant rounding errors that caused the IDEA data not to match the Environment data. With WESTAT's guidance, North Carolina was able to correct the problem and resubmit the data. The Exiting data were also submitted through the Education Data Exchange Network (EDEN) on November 1, 2006. OSEP indicated that the quality of North Carolina's 2005-06 EDEN submission of the Exiting data were not sufficient. The overall congruence was 83 percent. The insufficient quality of the Exiting data appears to be due to North Carolina's Multi-cultural racial/ethnic group. The Exiting data will be corrected and resubmitted through EDEN in February 2007. The December 1, 2006 Child Count will also be submitted through the EDEN database on February 1, 2007. Preparation is being made to properly include the Multi-cultural racial/ethnic group into the EDEN database for the Child Count submission. Finally, the Research and Evaluation Consultant will conduct on-site Child Count Audits in the

2006-07 school year to ensure LEAs are reporting accurate data. LEAs with the most significant changes in their child count data will be targeted first for an on-site Child Count Audit.

Report of the Participation and Performance of Students with Disabilities on State Assessments

There were no problems obtaining the State Assessment data from the Accountability Division in a timely manner. North Carolina failed to submit the Report of the Participation and Performance of Students with Disabilities on State Assessments to WESTAT and OSEP on or before February 1, 2006. Since the assessment spreadsheet was not emailed with the DTS 2004-05 Child Count spreadsheets, North Carolina was under the impression that the report was due on or before November 1, 2006. The Accountability Division's Reporting Section prepared the data and the EC Division submitted accurate assessment data to WESTAT on April 27, 2006. A copy of the Report of the Participation and Performance of Students with Disabilities on State Assessments was also mailed to OSEP.

Discipline Data

There were no problems obtaining the Discipline data from the Agency Operations and Management Division. Since this Division is responsible for the EDEN submissions, they became familiar with the IDEA Part B Discipline requirements. Therefore, data were prepared and the EC Division submitted Discipline data in a timely manner to WESTAT on or before November 1, 2006. Copies of the Discipline data were also mailed to OSEP.

Personnel Survey

Some LEAs had problems submitting their data through the Personnel Survey Web Application. Since several LEAs had errors in their data after their initial submission, the validation and security checks were turned off in order for those LEAs to correct and resubmit their data. When the validation and security checks were turned off, it created problems for LEAs that had not submitted their data. Once the EC Division was made aware of the problem, the Personnel Web Application was corrected and all LEAs were able to submit accurate Personnel data in a timely manner.

State Performance Plan (SPP)

Since North Carolina submitted 2003-04 data on several SPP Indicators, North Carolina will submit a revised SPP along with the APR. The revised SPP will contain baseline data from the 2004-05 school year. Baseline data on the new Indicators will also be reported in the SPP. The SPP will be submitted on February 1, 2007.

Annual Performance Report (APR)

The APR will be submitted on February 1, 2007. Indicators that were not new will display data from the 2005-06 school year with a discussion of progress or slippage on the proposed targets.

Revisions, with Justification, to Proposed Targets / Improvement Activities / Timelines / Resources for 2005-2006:

Activities	Timeline	Resources
NCDPI will ensure that CECAS integrates with the North Carolina Window of Information on Student Education (NCWISE) and other data systems.	2006 and Ongoing	▪ CECAS Team
Continue to provide Agency Operations and Management Division with Exiting Data for submission through EDEN	November 2006 and Ongoing	▪ CECAS Team ▪ Agency Operations and Management Division
NCDPI will continue to investigate duplicate collection of special education data via EDEN.	2005 and Ongoing	▪ Agency Operations and Management Division
Provide Agency Operations and Management Division with Child Count data to submit through EDEN.	January 2007 and Ongoing	▪ CECAS Team
Conduct On-Site Child Count Audits to ensure LEAs are reporting accurate data.	2007 and Ongoing	▪ CECAS Team
Remain knowledgeable of additional EDEN submission requirements.	2006 and Ongoing	▪ Research & Evaluation Consultant ▪ CECAS Team
CECAS Trainer and Regional CECAS Trainers will conduct ongoing trainings for the Child Count and Exiting process.	2006 and Ongoing	▪ CECAS Team

REPORT OF DISPUTE RESOLUTION UNDER PART B, OF THE
INDIVIDUALS WITH DISABILITIES EDUCATION ACT
2005-06 School Year Data

STATE: North Carolina

SECTION A: Signed, written complaints	
(1) Signed, written complaints total	63
(1.1) Complaints with reports issued	45
(a) Reports with findings	35
(b) Reports within timeline	35
(c) Reports within extended timelines	4
(1.2) Complaints withdrawn or dismissed	18
(1.3) Complaints pending	0
(a) Complaint pending a due process hearing	0

SECTION B: Mediation requests	
(2) Mediation requests total	116
(2.1) Mediations	Calculated Value
(a) Mediations related to due process	10
(i) Mediation agreements	6
(b) Mediations not related to due process	52
(i) Mediation agreements	38
(2.2) Mediations not held (including pending)	54

SECTION C: Hearing requests	
(3) Hearing requests total	56
(3.1) Resolution sessions	29
(a) Settlement agreements	25
(3.2) Hearings (fully adjudicated)	3
(a) Decisions within timeline	1
(b) Decisions within extended timeline	1
(3.3) Resolved without a hearing	35

SECTION D: Expedited hearing requests (related to disciplinary decision)	
(4) Expedited hearing requests total	0
(4.1) Resolution sessions	0
(a) Settlement agreements	0
(4.2) Expedited hearings (fully adjudicated)	0
(a) Change of placement ordered	0