DocuSign Envelope ID: CDBB2A0B-071D-4F3A-967B-A571668CA3A7
DocuSign Envelope ID: EB75CD67-D859-4960-A150-5A8366D68DD8
DocuSign Envelope ID: 38174C8E-F4DC-4BFD-BED6-AA377E946E2B

NC DEPARTMENT OF
HEALTH AND
HUMAN SERVICES

ROY COOPER • Governor
MANDY COHEN, MD, MPH • Secretary
MARK T. BENTON • Assistant Secretary for Public Health
Division of Public Health

April 27, 2020

MEMORANDUM:

TO: Mandy Cohen, MD, MPH Secretary
Department of Health and Human Services

ATTENTION: Floyd Jones

MTB/jp

THROUGH: Mark T. Benton, Assistant Secretary for Public Health, DPH DS
Chief Budget Officer
Business Officer RFM 4/22/2020
Grants Coordinator SNR 4-23-2020
Section Chief DS KK

DS MTB/jp

4/24/2020 | 2:37 PM EDT 4/28/2020 | 12:15 PM

FROM: Sharon Loza, M.Ed., M.A., Early Intervention Branch Head DS SL

SUBJECT: United States Department of Education Office of Special Education Programs, CFDA 84.181A, Annual State Application for the Part C of the Individuals with Disabilities Education Act (IDEA)

Enclosed is North Carolina's Annual State Grant Application, pursuant to the Individuals with Disabilities Education Act (IDEA) for the Part C Infants and Toddlers Program. This application is in response to OMB Announcement No. 1820-0550, CFDA 84.181A, and is prepared for submission to the Office of Special Education Programs (OSEP) at the United States Department of Education. The purpose of the Part C IDEA grant is: "to provide financial assistance to States to develop and implement a comprehensive, coordinated, multidisciplinary, interagency system that provides early intervention services for infants and toddlers with disabilities and their families"; facilitate coordinated payment across agencies for services; enhance State capacity, local lead agencies and providers to identify, evaluate and meet the needs of children, particularly historically underrepresented populations (minority, low-income, inner city, rural and children in foster care); and encourage States to expand opportunities for children at risk of having substantial delays without early intervention services. The Part C program, or the North Carolina Infant-Toddler Program (N.C. ITP), provides supports and services to infants and toddlers (birth to age 3) with developmental disabilities/delays and their families.

NC DEPARTMENT OF HEALTH AND HUMAN SERVICES • DIVISION OF PUBLIC HEALTH
Early Intervention Branch
LOCATION: 5605 Six Forks Road, Building 3, Raleigh, NC 27609
MAILING ADDRESS: 1916 Mail Service Center, Raleigh, NC 27699-1916
www.ncdhhs.gov • TEL: 919-707-5020 • FAX: 919-870-4834
AN EQUAL OPPORTUNITY / AFFIRMATIVE ACTION EMPLOYER

DocuSign Envelope ID: CDBB2A0B-071D-4F3A-967B-A571668CA3A7
DocuSign Envelope ID: 38174C8E-F4DC-4BFD-BED6-AA377E946E2B

OSEP provided 2020 funding allocations to states on January 23, 2020. If you have any questions about this grant, please contact Sharon Loza, Early Intervention Branch Head, Women's and Children's Health Section, Division of Public Health, at 919-707-5528 or by email at Sharon.loza@dhhs.nc.gov.

DocuSign Envelope ID: CDBB2A0B-071D-4F3A-967B-A571668CA3A7

NC DEPARTMENT OF
HEALTH AND
HUMAN SERVICES

ROY COOPER • Governor
MANDY COHEN, MD, MPH • Secretary

April 30, 2020

Laurie VanderPloeg, Director
United States Department of Education
Office of Special Education Programs
Potomac Center Plaza
Mail Stop 2600, Room 5031-A
550 12th Street SW
Washington, D.C. 20202

Dear Laurie VanderPloeg:

Enclosed is North Carolina's application for early intervention services through the North Carolina Infant-Toddler Program (N.C. ITP) pursuant to Part C of the Individuals with Disabilities Education Act (IDEA). This grant application to the United States Department of Education, Office of Special Education Programs (OSEP), CFDA 84.181A, is in response to OMB Announcement No. 1820-0550. The Part C grant will provide funds to assist the state lead agency, the N.C. Department of Health and Human Services, Division of Public Health, Women's and Children's Health Section, Early Intervention Branch to provide statewide early intervention services to infants, toddlers (ages birth to 3) and their families. The North Carolina Part C Program met the requirements for public participation as required by Part C regulations by providing the grant application and mechanisms for public review and commenting on the Early Intervention website (www.beearly.nc.gov).

Your consideration of our request is greatly appreciated. Should you have questions about the information contained in this application, please contact Sharon Loza, Early Intervention Branch Head, at 919-707-5528 or Sharon.loza@dhhs.nc.gov.

Sincerely,

DocuSigned by:
Mark T. Benton
65A1EF320AD6419...

Mandy Cohen, MD, MPH
Secretary

Enclosure(s): Annual State Application under Part C of the Individuals with Disabilities Education Act (IDEA)

NC DEPARTMENT OF HEALTH AND HUMAN SERVICES •
LOCATION: 101 Blair Drive, Adams Building, Raleigh, NC 27603
MAILING ADDRESS: 2001 Mail Service Center, Raleigh, NC 27699-2001
www.ncdhhs.gov • TEL: 919-855-4800 • FAX: 919-715-4645

AN EQUAL OPPORTUNITY / AFFIRMATIVE ACTION EMPLOYER

DocuSign Envelope ID: CDBB2A0B-071D-4F3A-967B-A571668CA3A7

cc: Mark T. Benton, NC DPH
Kelly Kimple
Sharon Loza

DocuSign Envelope ID: CDBB2A0B-071D-4F3A-967B-A571668CA3A7

OMB NO. 1820-0550
Expires: 11/30/2020

ANNUAL STATE APPLICATION UNDER PART C OF THE INDIVIDUALS WITH DISABILITIES EDUCATION ACT AS AMENDED IN 2004 FOR FEDERAL FISCAL YEAR (FFY) 2020

CFDA No. 84.181A

ED FORM No. 1 B20—26P

UNITED STATES DEPARTMENT OF EDUCATION
OFFICE OF SPECIAL EDUCATION PROGRAMS

Washington, DC 20202-2600

Paperwork 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 10 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 or retain benefits (20 U.S.C. 1433; 20 U.S.C. 1435). 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., S.W., Washington, D.C. 20210-4537 or email ICDocketMgr@ed.gov and reference the OMB Control Number 1820-0550. Note: Please do not return the completed Annual State Application form to this address.

DocuSign Envelope ID: CDBB2A0B-071D-4F3A-967B-A571668CA3A7

Section I

A. Submission Statements for Part C of IDEA

Select 1 or 2 below. Check 3 if appropriate.

1. __X___ The State's policies, procedures, methods, descriptions, certifications, and assurances meet all application requirements of Part C of the Act as found in the Individuals with Disabilities Education Act (IDEA), codified at 20 U.S.C. 1431 through 1443 and the Part C regulations in 34 CFR Part 303. The State is able to provide and/or meet all policies, procedures, methods, descriptions, and assurances, found in Sections II.A and II.B of this Application.

   By selecting this submission statement the State either has on file with the Secretary or has submitted new or revised State policies, procedures, methods, and descriptions that meet all requirements found in Section II.A.

2. _____ The State cannot provide the policies, procedures, methods, descriptions, and/or assurances for all application requirements of Part C of the Act as found in Part C of the IDEA, 20 U.S.C. 1431 through 1443 and the Part C regulations in 34 CFR Part 303. The State has determined that it is unable to provide the policies, procedures, methods, descriptions, and/or assurances that are checked 'No' in Sections II.A and II.B. However, the State assures that throughout the period of this grant award the State will operate consistently with all requirements of IDEA in 20 U.S.C. 1431 through 1443 and the 2011 Part C regulations in 34 CFR Part 303. The State will develop and/or make such changes to existing policies, procedures, methods, descriptions, and assurances as are necessary to bring the policies, procedures, methods, descriptions, and assurances into compliance with the requirements of the IDEA Part C Act and regulations, as amended, as soon as possible, and not later than June 30, 2021. The State has included the date by which it expects to complete necessary changes associated with policies, procedures, methods, descriptions, and assurances marked 'No'. The items checked 'Yes' in Section II.A are enclosed with this application as revised or new or are identified as "OF" already on file with the Secretary.[1]

Optional:

3. _____ The State is submitting new or modified State policies and procedures previously submitted to the Department and checked in Section II.A, "N", "R" or "OF" cell(s) found in the 'Yes' column. These modifications are a result of: (1) the State revising its applicable State law or regulations; (2) changes required by the Secretary due to 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 regulation.

B. Conditional Approval for Current Grant Year

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

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

_____ a. Sections II.A and II.B reflect completion of all issues identified in the FFY 2019 conditional approval letter (attach any additional documentation required by the FFY 2019 letter).

_____ b. As noted in Sections II.A and II.B, the State has not completed all issues identified in the FFY 2019 conditional approval letter.

[1] If Option 2 is checked, the State is to provide dates in Sections II.A and II.B as to when the required policies, procedures, methods, descriptions, and assurances will be provided, which date can be no later than June 30, 2020.

DocuSign Envelope ID: CDBB2A0B-071D-4F3A-967B-A571668CA3A7

2. Conditional Approval Related to Other Issues:

_____ a. The State previously submitted documentation of completion of all issues identified in the FFY 2019 conditional approval letter.

_____ b. The State is attaching documentation of completion of all issues identified in the FFY 2019 conditional approval letter. *(Attach documentation showing completion of all issues.)*

_____ c. The State has not completed all issues identified in the FFY 2019 conditional approval letter. *(Attach documentation showing completion of any issues and a list of items not yet completed.)*

DocuSign Envelope ID: CDBB2A0B-071D-4F3A-967B-A571668CA3A7

Section II

A. State Policies, Procedures, Methods, and Descriptions

As checked below, the State hereby declares that it has or has not filed the following policies, procedures, methods, and descriptions with the U.S. Department of Education, and, as of the date of the signature below, affirms and incorporates by reference those policies, procedures, methods, and descriptions with respect to Part C of the Individuals with Disabilities Education Act (IDEA or Act) in 20 U.S.C. 1431–1443 and the Part C regulations in 34 CFR Part 303 (Part C). By submission of this Section II, the State assures that throughout the period of this FFY 2020 grant award, the State will operate consistently with all requirements of Part C of the IDEA in 20 U.S.C. 1431 through 1443 and the Part C regulations in 34 CFR Part 303. The State will develop and/or make such changes to existing policies, procedures, methods, descriptions, and assurances as are necessary to bring the policies, procedures, methods, descriptions, and assurances into compliance with the requirements of the IDEA Part C Act and regulations by the date indicated below and not later than June 30, 2021.

- Check and enter date(s) as applicable.
- Enclose relevant documents.

Yes (If New or Revised is checked, the State is submitting policies, procedures, methods, and descriptions with this application. If already 'On File with OSEP', check OF.)

N = 'New' Policy and/or Procedure

R = 'Revised' Policy and/or Procedure

OF = Policy and/or Procedure is already 'On File' with the USDE

No (Policies, procedures, methods, and descriptions have not been provided. Provide date by which State will submit to OSEP required documentation, which date shall be no later than June 30, 2021.)

Yes: N	Yes: R	Yes: OF	No	State Policies, Procedures, Methods, and Descriptions
				Subpart C—State Policies and Procedures
		X		1. Each application must include the name of the State lead agency, as designated under §303.120, that will be responsible for the administration of funds provided under this part. (34 CFR §303.201)
		X		2. Each application must include a description of services to be provided under Part C to infants and toddlers with disabilities and their families through the State's system. (34 CFR §303.203(a))
				3. Each application must include the State's policies and procedures regarding the identification and coordination of all available resources within the State from Federal, State, local, and private sources as required under subpart F of 34 CFR Part 303. *The State must have policies and procedures that meet the requirements listed in 3(a) and the methods identified in 3(b), and must provide responses to those*

DocuSign Envelope ID: CDBB2A0B-071D-4F3A-967B-A571668CA3A7

Yes: N	Yes: R	Yes: OF	No	State Policies, Procedures, Methods, and Descriptions
				entries. If the State has not adopted a system of payments, it may respond "NA" to 3(a).
		X		(a) If the State has adopted a system of payments, each application must include any policies or procedures adopted by the State as its system of payments and those policies and procedures must meet the requirements in §§303.510, 303.520 and 303.521 (regarding the use of public insurance or benefits, private insurance, or family costs or fees). (34 CFR §303.203(b)(1)) ***The policies and procedures listed in 3(a) are optional. Enter 'NA' in the cells to the left if the State has elected not to adopt a system of payments (which includes a system to use public insurance or benefits or private insurance or family fees to pay for Part C services); otherwise check the appropriate response under the 'Yes' column and, if checking 'N' or 'R', attach policies and procedures.*** ***The State's response under 3(a) of Section II.A must match the State's response under Section IV.A.***
		X		(b) Each application must include the methods (State law, regulation, signed interagency or intra-agency agreements or other appropriate written method(s) approved by the Secretary) used by the State to implement the payor of last resort and fiscal responsibility requirements in §303.511(b)(2) and (3). (34 CFR §303.203(b)(2)) ***If the State uses signed interagency agreements or "other appropriate written method(s)" to meet the requirements in 3(b), please check 'N' or 'R' and submit with the application. If the State's method is a State statute or regulation, the State does not need to submit that method (the statute or regulation) with its application.***
		X		4. Each application must include the State's rigorous definition of developmental delay as required under §§303.10 and 303.111. Each Statewide system must include the State's rigorous definition of developmental delay, consistent with §§303.10 and 303.203(c), that will be used by the State in carrying out programs under Part C of the Act in order to appropriately identify infants and toddlers with disabilities who are in need of services under Part C of the Act. The definition must— (a) Describe, for each of the areas listed in §303.21(a)(1), the evaluation and assessment

DocuSign Envelope ID: CDBB2A0B-071D-4F3A-967B-A571668CA3A7

Yes: N	Yes: R	Yes: OF	No	State Policies, Procedures, Methods, and Descriptions
				procedures, consistent with §303.321, that will be used to measure a child's development; and (b) Specify the level of developmental delay in functioning or other comparable criteria that constitute a developmental delay in one or more of the developmental areas identified in §303.21(a)(1). (34 CFR §§303.203(c) & 303.111)
		N/A		5. If the State provides services under Part C to at-risk infants and toddlers through the statewide system, the application must include— (a) The State's definition of at-risk infants and toddlers with disabilities who are eligible in the State for services under Part C (consistent with §§303.5 and 303.21(b)); and (b) A description of the early intervention services provided under Part C to at-risk infants and toddlers with disabilities who meet the State's definition described in §303.204(a). (34 CFR §303.204). ***The policies and procedures listed in 5 are <u>optional</u> (i.e., they only apply if the State opts to serve at-risk children). Enter 'NA' in the cells to the left if the State has elected not to provide services under Part C to at-risk infants and toddlers; otherwise check the appropriate response under the 'Yes' column and, if checking 'N' or 'R', attach the definition and description.***
				6. Each State application must include a description of the State's use of funds under Part C for the fiscal year or years covered by the application. (34 CFR §303.205) ***The State must complete Section III of this application.***
		X		7. Each application must include the State's policies and procedures that require the referral for early intervention services under Part C of specific children under the age of three, as described in §303.303(b) (which includes children who are the subject of a substantiated case of abuse or neglect, or directly affected by illegal substance abuse or withdrawal symptoms resulting from prenatal drug exposure). (34 CFR §303.206)
		X		8. Each application must include a description of the procedure used by the State to ensure that resources are made available under Part C for all geographic areas within the State. (34 CFR §303.207)

DocuSign Envelope ID: CDBB2A0B-071D-4F3A-967B-A571668CA3A7

Yes: N	Yes: R	Yes: OF	No	State Policies, Procedures, Methods, and Descriptions
		X		9. Each application must include a description of the policies and procedures used by the State to ensure that, before adopting any new policy or procedure (including any revision to an existing policy or procedure) needed to comply with Part C of the Act and 34 CFR Part 303, the lead agency— (1) Holds public hearings on the new policy or procedure (including any revision to an existing policy or procedure); (2) Provides notice of the hearings held in accordance with §303.208(b)(1) at least 30 days before the hearings are conducted to enable public participation; and (3) Provides an opportunity for the general public, including individuals with disabilities, parents of infants and toddlers with disabilities, EIS providers, and the members of the Council, to comment for at least 30 days on the new policy or procedure (including any revision to an existing policy or procedure) needed to comply with Part C of the Act and 34 CFR Part 303. (34 CFR §303.208(b))
		X		10. (a) Application Requirements: Each State must include the following in its application: (1) A description of the policies and procedures it will use to ensure a smooth transition for infants and toddlers with disabilities under the age of three and their families from receiving early intervention services under Part C to preschool or other appropriate services (for toddlers with disabilities) or exiting the program for infants and toddlers with disabilities. (2) A description of how the State will meet each requirement in §303.209(b) through (f). (3) (i) (A) If the lead agency is not the SEA, an interagency agreement between the lead agency and the SEA; or (B) If the lead agency is the SEA, an intra-agency agreement between the program within that agency that administers Part C of the Act and the program within the agency that administers section 619 of the Act (ii) To ensure a seamless transition between services under Part C and under Part B of the Act, an interagency agreement under paragraph (a)(3)(i)(A) of this section or an intra-agency agreement under paragraph (a)(3)(i)(B) of this section must address how

DocuSign Envelope ID: CDBB2A0B-071D-4F3A-967B-A571668CA3A7

Yes: N	Yes: R	Yes: OF	No	State Policies, Procedures, Methods, and Descriptions
				the lead agency and the SEA will meet the requirements of paragraphs (b) through (f) of this section (including any policies adopted by the lead agency under §303.401(d) and (e)), §303.344(h), and 34 CFR 300.101(b), 300.124, 300.321(f) and 300.323(b). (4) Any policy the lead agency has adopted under §303.401(d) and (e). (b) Notification to the SEA and appropriate LEA. The State must ensure that— (1) Subject to paragraph (b)(4) of this section, not fewer than 90 days before the third birthday of the toddler with a disability if that toddler may be eligible for preschool services under Part B of the Act, the lead agency notifies the SEA and the LEA for the area in which the toddler resides that the toddler on his or her third birthday will reach the age of eligibility for services under Part B of the Act, as determined in accordance with State law; or (2) Subject to paragraph (b)(4) of this section, if the lead agency determines that the toddler is eligible for early intervention services under Part C of the Act more than 45 but less than 90 days before that toddler's third birthday and if that toddler may be eligible for preschool services under Part B of the Act, the lead agency, as soon as possible after determining the child's eligibility, notifies the SEA and the LEA for the area in which the toddler with a disability resides that the toddler on his or her third birthday will reach the age of eligibility for services under Part B of the Act, as determined in accordance with State law; or (3) Subject to paragraph (b)(4) of this section, if a toddler is referred to the lead agency fewer than 45 days before that toddler's third birthday and that toddler may be eligible for preschool services under Part B of the Act, the lead agency, with parental consent required under §303.414, refers the toddler to the SEA and the LEA for the area in which the toddler resides; but, the lead agency is not required to conduct an evaluation, assessment, or an initial IFSP meeting under these circumstances; (4) The notification required under paragraphs (b)(1), (2), and (3) of this section is consistent with any policy that the State has adopted, under §303.401(e), permitting a parent to object to disclosure of personally identifiable information.

DocuSign Envelope ID: CDBB2A0B-071D-4F3A-967B-A571668CA3A7

Yes: N	Yes: R	Yes: OF	No	State Policies, Procedures, Methods, and Descriptions
				(c) Conference to discuss services. The State must ensure that— (1) If a toddler with a disability may be eligible for preschool services under Part B of the Act, the lead agency, with the approval of the family of the toddler, convenes a conference, among the lead agency, the family, and the LEA not fewer than 90 days—and, at the discretion of all of the parties, not more than 9 months—before the toddler's third birthday to discuss any services the toddler may receive under Part B of the Act. (2) If a toddler with a disability is determined to not be potentially eligible for preschool services under Part B of the Act, the lead agency, with the approval of the family of that toddler, makes reasonable efforts to convene a conference among the lead agency, the family, and providers of other appropriate services for the toddler to discuss appropriate services that the toddler may receive. (d) Transition plan. The State must ensure that for all toddlers with disabilities – (1)(i) It reviews the program options for the toddler with a disability for the period from the toddler's third birthday through the remainder of the school year; and (ii) Each family of a toddler with a disability who is served under Part C is included in the development of the transition plan required under this section and §303.344(h); (2) It establishes a transition plan in the IFSP not fewer than 90 days—and, at the discretion of all of the parties, not more than 9 months—before the toddler's third birthday; and (3) The transition plan in the IFSP includes, consistent with §303.344(h), as appropriate— (i) Steps for the toddler with a disability and his or her family to exit from the Part C program; and (ii) Any transition services that the IFSP Team identifies as needed by that toddler and his or her family. (e) Transition conference and plan meeting requirements. Any conference conducted under paragraph (c) of this section or meeting to develop the transition plan under paragraph (d) of this section (which conference and meeting may be combined into one meeting) must meet the requirements in §§303.342(d) and (e) and 303.343(a).

DocuSign Envelope ID: CDBB2A0B-071D-4F3A-967B-A571668CA3A7

Yes: N	Yes: R	Yes: OF	No	State Policies, Procedures, Methods, and Descriptions
				(f) Applicability of transition requirements. (1) The transition requirements in paragraphs (b)(1) and (2), (c)(1), and (d) of this section apply to all toddlers with disabilities receiving services under this part before those toddlers turn age three, including any toddler with a disability under the age of three who is served by a State that offers services under §303.211. (2) In a State that offers services under §303.211, for toddlers with disabilities identified in paragraph (b)(1) of this section, the parent must be provided at the transition conference conducted under paragraph (c)(1) of this section: (i) An explanation, consistent with §303.211(b)(1)(ii), of the toddler's options to continue to receive early intervention services under this part or preschool services under section 619 of the Act; (ii) The initial annual notice referenced in §303.211(b)(1). (3) For children with disabilities age three and older who receive services pursuant to §303.211, the State must ensure that it satisfies the separate transition requirements in §303.211(b)(6)(ii). (34 CFR §303.209)
		X		11. Each application must contain a description of State efforts to promote collaboration among Head Start and Early Head Start programs under the Head Start Act (42 U.S.C. 9801, et seq., as amended), early education and child care programs, and services under Part C. (34 CFR §303.210)
		X		12. Each application must include, as required by Section 427 of the General Education Provisions Act (GEPA), a description of how the State has identified barriers and developed strategies to address the barriers and has provided a description of the steps the State is taking to ensure equitable access to, and participation in, Part C. (34 CFR §303.212(a))
		N/A		13. (a) General. (1) Subject to paragraphs (a)(2) and (b) of this section, a State may elect to include in its application for a grant under Part C a State policy, developed and implemented jointly by the lead agency and the SEA, under which a parent of a child with a disability who is eligible for preschool services under section 619 of the Act and who previously received early intervention services under Part C, may choose the continuation of early intervention services under Part C for his or her child after the child turns three until the child enters, or is eligible under State law to enter, kindergarten or elementary school.

DocuSign Envelope ID: CDBB2A0B-071D-4F3A-967B-A571668CA3A7

Yes: N	Yes: R	Yes: OF	No	State Policies, Procedures, Methods, and Descriptions
				(2) A State that adopts the policy described in paragraph (a)(1) of this section may determine whether it applies to children with disabilities— (i) From age three until the beginning of the school year following the child's third birthday; (ii) From age three until the beginning of the school year following the child's fourth birthday; or (iii) From age three until the beginning of the school year following the child's fifth birthday. (3) However, in no case may a State provide services under this section beyond the age at which the child actually enrolls in, or is eligible under State law to enter, kindergarten or elementary school in the State. (b) Requirements. If a State's application for a grant under Part C includes the State policy described in paragraph (a) of this section, the system must ensure the following: (1) Parents of children with disabilities who are eligible for services under section 619 of the Act and who previously received early intervention services under Part C will be provided annual notice (the initial annual notice must be provided as set forth in §303.209(f)(2)(ii)) that contains— (i) A description of the rights of the parents to elect to receive services pursuant to §303.211 or under Part B of the Act; and (ii) An explanation of the differences between services provided pursuant to §303.211 and services provided under Part B of the Act, including— (A) The types of services and the locations at which the services are provided; (B) The procedural safeguards that apply; and (C) Possible costs (including the costs or fees to be charged to families as described in §§303.520 and 303.521), if any, to parents; and (2) Consistent with §303.344(d), services provided pursuant to §303.211 will include an educational component that promotes school readiness and incorporates preliteracy, language, and numeracy skills. (3) The State policy ensures that any child served pursuant to this section has the right, at any time, to receive FAPE (as that term is defined at §303.15) under Part B of the Act instead of

DocuSign Envelope ID: CDBB2A0B-071D-4F3A-967B-A571668CA3A7

Yes: N	Yes: R	Yes: OF	No	State Policies, Procedures, Methods, and Descriptions
				early intervention services under Part C of the Act under §303.211. (4) The lead agency must continue to provide all early intervention services identified in the toddler with a disability's IFSP under §303.344 (and consented to by the parent under §303.342(e)) beyond age three until that toddler's initial eligibility determination under Part B of the Act is made under 34 CFR §300.306. This provision does not apply if the LEA has requested parental consent for the initial evaluation under §300.300(a) and the parent has not provided that consent. (5) The lead agency must obtain informed consent from the parent of any child with a disability for the continuation of early intervention services pursuant to this section for that child. Consent must be obtained before the child reaches three years of age, where practicable. (6)(i) For toddlers with disabilities under the age of three in a State that offers services under this section, the lead agency ensures that the transition requirements in §303.209(b)(1) and (2), (c)(1) and (d) are met. (ii) For toddlers with disabilities age three and older in a State that offers services under this section, the lead agency ensures a smooth transition from services under this section to preschool, kindergarten or elementary school by: (A) Providing the SEA and LEA where the child resides, consistent with any State policy adopted under §303.401(e), the information listed in §303.401(d)(1) not fewer than 90 days before the child will no longer be eligible under subsection (a)(2) of this section to receive early intervention services under this section; (B) With the approval of the parents of the child, convening a transition conference, among the lead agency, the parents, and the LEA, not fewer than 90 days—and, at the discretion of all parties, not more than 9 months—before the child will no longer be eligible under subsection (a)(2) of this section to receive, or will no longer receive, early intervention services under this section, to discuss any services that the child may receive under Part B of the Act; and (C) Establishing a transition plan in the IFSP not fewer than 90 days—and, at the discretion of all parties, not more than 9 months—before the child will no longer be eligible under subsection (a)(2) of this section to receive, or no longer receives, early intervention services under this section.

DocuSign Envelope ID: CDBB2A0B-071D-4F3A-967B-A571668CA3A7

Yes: N	Yes: R	Yes: OF	No	State Policies, Procedures, Methods, and Descriptions
				(7) In States that adopt the option to make services under Part C available to children ages three and older pursuant to §303.211, there will be a referral to the Part C system, dependent upon parental consent, of a child under the age of three who directly experiences a substantiated case of trauma due to exposure to family violence, as defined in section 320 of the Family Violence Prevention and Services Act, 42 U.S.C. 10401, et seq. (c) Reporting requirement. If a State includes in its application a State policy described in §303.211(a), the State must submit to the Secretary, in the State's report under §303.124, the number and percentage of children with disabilities who are eligible for services under section 619 of the Act but whose parents choose for their children to continue to receive early intervention services under §303.211. (d) Available funds. The State policy described in §303.211(a) must describe the funds—including an identification as Federal, State, or local funds—that will be used to ensure that the option described in §303.211(a) is available to eligible children and families who provide the consent described in §303.211(b)(5), including fees, if any, to be charged to families as described in §§303.520 and 303.521. (e) Rules of construction. (1) If a statewide system includes a State policy described in §303.211(a), a State that provides services in accordance with this section to a child with a disability who is eligible for services under section 619 of the Act will not be required to provide the child FAPE under Part B of the Act for the period of time in which the child is receiving services under §303.211. (2) Nothing in this section may be construed to require a provider of services under Part C to provide a child served under Part C with FAPE. (34 CFR §303.211) ***The policies and procedures listed in 13 are optional. Enter 'NA' in the cells to the left if the State has elected not to develop and implement a policy under 34 CFR §303.211 to make Part C services to children beyond age three; otherwise check the appropriate response under the 'Yes' column and, if checking 'N' or 'R', attach policies and procedures.***

DocuSign Envelope ID: CDBB2A0B-071D-4F3A-967B-A571668CA3A7

B. Assurances and Optional Assurance

The State makes the following assurances and provisions as required by Part C of the Individuals with Disabilities Education Act. (20 U.S.C. 1431 et. seq.; 34 CFR §§303.101-126; 303.220; 303.227)

Yes *(Assurance is hereby provided.)*	**No** *(Assurance cannot be ensured. Provide date on which State will complete changes in order to provide assurance.)* *Check and enter date(s) as applicable*	**Subpart B—Assurances** (20 U.S.C. 1434; 1435; and 1437(b); 34 CFR §§303.101-126; 303.220; 303.227)
X		1. The State has adopted a policy that appropriate early intervention services, as defined in 34 CFR §303.13, are available to all infants and toddlers with disabilities in the State and their families, including— (a) Indian infants and toddlers with disabilities and their families residing on a reservation geographically located in the State; (b) Infants and toddlers with disabilities who are homeless children and their families; and (c) Infants and toddlers with disabilities who are wards of the State. (34 CFR §303.101(a))
X		2. The State has in effect a statewide system of early intervention services that meets the requirements of section 635 of the Act, including policies and procedures that address, at a minimum, the components required in 34 CFR §§303.111 through 303.126. (34 CFR §303.101(a))
X		3. The State ensures that any State rules, regulations, policies and procedures relating to 34 CFR Part 303 conform to the purposes and requirements of 34 CFR Part 303. (34 CFR §303.102)
		4. Each statewide system (system) must include, at a minimum, the components described in §§303.111 through 303.126. (34 CFR §303.110)
X		5. The State has a policy in effect that ensures that appropriate early intervention services are based on scientifically based research, to the extent practicable, and are available to all infants and toddlers with disabilities and their families, including— (a) Indian infants and toddlers with disabilities and their families residing on a reservation geographically located in the State; and

DocuSign Envelope ID: CDBB2A0B-071D-4F3A-967B-A571668CA3A7

Yes *(Assurance is hereby provided.)*	No *(Assurance cannot be ensured. Provide date on which State will complete changes in order to provide assurance.)* *Check and enter date(s) as applicable*	**Subpart B—Assurances** (20 U.S.C. 1434; 1435; and 1437(b); 34 CFR §§303.101-126; 303.220; 303.227)
		(b) Infants and toddlers with disabilities who are homeless children and their families. (34 CFR §303.112)
X		6. (a) The Statewide system ensures the performance of— (1) A timely, comprehensive, multidisciplinary evaluation of the functioning of each infant or toddler with a disability in the State; and (2) A family-directed identification of the needs of the family of the infant or toddler to assist appropriately in the development of the infant or toddler. (b) The evaluation and family-directed identification required in paragraph (a) of this section must meet the requirements of 34 CFR §303.321. (34 CFR §303.113)
X		7. The Statewide system ensures that, for each infant or toddler with a disability and his or her family in the State, an IFSP, as defined in 34 CFR §303.20, is developed and implemented that meets the requirements of 34 CFR §§303.340 through 303.345 and that includes service coordination services, as defined in 34 CFR §303.34. (34 CFR §303.114)
X		8. The Statewide system includes a comprehensive child find system that meets the requirements in 34 CFR §§303.302 and 303.303. (34 CFR §303.115)
X		9. The Statewide system includes a public awareness program that— (a) Focuses on the early identification of infants and toddlers with disabilities; and (b) Provides information to parents of infants and toddlers through primary referral sources in accordance with 34 CFR §303.301. (34 CFR §303.116)
X		10. The Statewide system includes a central directory that is accessible to the general public (i.e., through the lead agency's Web site and other appropriate means) and includes accurate, up-to-date information about: (a) Public and private early intervention services, resources, and experts available in the State;

DocuSign Envelope ID: CDBB2A0B-071D-4F3A-967B-A571668CA3A7

Yes *(Assurance is hereby provided.)*	No *(Assurance cannot be ensured. Provide date on which State will complete changes in order to provide assurance.)* *Check and enter date(s) as applicable*	**Subpart B—Assurances** (20 U.S.C. 1434; 1435; and 1437(b); 34 CFR §§303.101-126; 303.220; 303.227)
		(b) Professional and other groups (including parent support and training and information centers, such as those funded under the Act) that provide assistance to infants and toddlers with disabilities eligible under Part C of the Act and their families; and (c) Research and demonstration projects being conducted in the State relating to infants and toddlers with disabilities. (34 CFR §303.117)
X		11. The Statewide system includes a comprehensive system of personnel development, including the training of paraprofessionals and the training of primary referral sources with respect to the basic components of early intervention services available in the State. The State's comprehensive system of personnel development— (a) Includes— (1) Training personnel to implement innovative strategies and activities for the recruitment and retention of EIS providers; (2) Promoting the preparation of EIS providers who are fully and appropriately qualified to provide early intervention services under Part C; and (3) Training personnel to coordinate transition services for infants and toddlers with disabilities who are transitioning from an early intervention services program under Part C of the Act to a preschool program under section 619 of the Act, Head Start, Early Head Start, an elementary school program under Part B of the Act, or another appropriate program. (b) May include— (1) Training personnel to work in rural and inner-city areas; (2) Training personnel in the emotional and social development of young children; (3) Training personnel to support families in participating fully in the development and implementation of the child's IFSP; and (4) Training personnel who provide services under this part using standards that are consistent with early learning personnel development standards funded under the State Advisory Council on Early Childhood Education and Care established under the Head Start

DocuSign Envelope ID: CDBB2A0B-071D-4F3A-967B-A571668CA3A7

Yes *(Assurance is hereby provided.)*	No *(Assurance cannot be ensured. Provide date on which State will complete changes in order to provide assurance.)* *Check and enter date(s) as applicable*	**Subpart B—Assurances** (20 U.S.C. 1434; 1435; and 1437(b); 34 CFR §§303.101-126; 303.220; 303.227)
		Act, if applicable. (34 CFR §303.118)
X		12. The Statewide system includes policies and procedures relating to the establishment and maintenance of qualification standards to ensure that personnel necessary to carry out the purposes of Part C are appropriately and adequately prepared and trained. These policies and procedures provide for the establishment and maintenance of qualification standards that are consistent with any State-approved or State-recognized certification, licensing, registration, or other comparable requirements that apply to the profession, discipline, or area in which personnel are providing early intervention services. Nothing in Part C of the Act may be construed to prohibit the use of paraprofessionals and assistants who are appropriately trained and supervised in accordance with State law, regulation, or written policy, to assist in the provision of early intervention services under Part C of the Act to infants and toddlers with disabilities. (34 CFR §303.119(a)–(c))
X		13. The Statewide system includes a single line of responsibility in a lead agency designated or established by the Governor that is responsible for the following— (a) (1) The general administration and supervision of programs and activities administered by agencies, institutions, organizations, and EIS providers receiving assistance under Part C of the Act; and (2) The monitoring of programs and activities used by the State to carry out Part C of the Act (whether or not the programs or activities are administered by agencies, institutions, organizations, and EIS providers that are receiving assistance under Part C of the Act), to ensure that the State complies with Part C of the Act, including— (i) Monitoring agencies, institutions, organizations, and EIS providers used by the State to carry out Part C of the Act; (ii) Enforcing any obligations imposed on those agencies, institutions, organizations, and EIS providers under Part C of the Act and 34 CFR Part 303; (iii) Providing technical assistance, if necessary, to those agencies, institutions, organizations and EIS providers; (iv) Correcting any noncompliance identified through monitoring as soon as possible and in no case later than one year after the lead agency's identification of

DocuSign Envelope ID: CDBB2A0B-071D-4F3A-967B-A571668CA3A7

Yes *(Assurance is hereby provided.)*	No *(Assurance cannot be ensured. Provide date on which State will complete changes in order to provide assurance.)* *Check and enter date(s) as applicable*	**Subpart B—Assurances** (20 U.S.C. 1434; 1435; and 1437(b); 34 CFR §§303.101-126; 303.220; 303.227)
		the noncompliance; and (v) Conducting the activities in paragraphs (a)(2)(i) through (a)(2)(iv) of this section, consistent with 34 CFR §§303.700 through 303.707, and any other activities required by the State under those sections. (b) The identification and coordination of all available resources for early intervention services within the State, including those from Federal, State, local, and private sources, consistent with subpart F of 34 CFR Part 303. (c) The assignment of financial responsibility in accordance with subpart F of 34 CFR Part 303. (d) The development of procedures in accordance with subpart F of 34 CFR Part 303 to ensure that early intervention services are provided to infants and toddlers with disabilities and their families under Part C of the Act in a timely manner, pending the resolution of any disputes among public agencies or EIS providers. (e) The resolution of intra- and interagency disputes in accordance with subpart F of 34 CFR Part 303. (f) The entry into formal interagency agreements or other written methods of establishing financial responsibility, consistent with 34 CFR §303.511, that define the financial responsibility of each agency for paying for early intervention services (consistent with State law) and procedures for resolving disputes and that include all additional components necessary to ensure meaningful cooperation and coordination as set forth in subpart F of 34 CFR Part 303. (34 CFR §303.120)
X		14. The Statewide system includes a policy pertaining to the contracting or making of other arrangements with public or private individuals or agency service providers to provide early intervention services in the State, consistent with the provisions of Part C of the Act and 34 CFR Part 303, including the contents of the application, and the conditions of the contract or other arrangements. The policy — (a) Includes a requirement that all early intervention services must meet State standards and be consistent with the provisions of Part C; and (b) Is consistent with the Education Department General Administrative Regulations in 34 CFR Part 80. (34 CFR §303.121)

DocuSign Envelope ID: CDBB2A0B-071D-4F3A-967B-A571668CA3A7

Yes *(Assurance is hereby provided.)*	No *(Assurance cannot be ensured. Provide date on which State will complete changes in order to provide assurance.)* *Check and enter date(s) as applicable*	**Subpart B—Assurances** (20 U.S.C. 1434; 1435; and 1437(b); 34 CFR §§303.101-126; 303.220; 303.227)
X		15. The Statewide system includes procedures for securing the timely reimbursement of funds used under Part C of the Act, in accordance with subpart F of 34 CFR Part 303. (34 CFR §303.122)
X		16. The Statewide system includes procedural safeguards that meet the requirements of subpart E of 34 CFR Part 303. (34 CFR §303.123)
X		17. The Statewide system includes a system for compiling and reporting timely and accurate data that meets the requirements of 34 CFR §§303.700 through 303.702 and 303.720 through 303.724 and the following requirements. The data system includes a description of the process that the State uses, or will use, to compile data on infants or toddlers with disabilities receiving early intervention services under Part C, including a description of the State's sampling methods, if sampling is used, for reporting the data required by the Secretary under sections 616 and 618 of the IDEA and 34 CFR §§303.700 through 303.707 and 303.720 through 303.724. (34 CFR §303.124)
X		18. The Statewide system includes a State Interagency Coordinating Council (Council) that meets the requirements of subpart G of 34 CFR Part 303. (34 CFR §303.125)
X		19. The Statewide system includes policies and procedures to ensure, consistent with 34 CFR §§303.13(a)(8) (early intervention services), 303.26 (natural environments), and 303.344(d)(1)(ii) (content of an IFSP), that early intervention services for infants and toddlers with disabilities are provided— (a) To the maximum extent appropriate, in natural environments; and (b) In settings other than the natural environment that are most appropriate, as determined by the parent and the IFSP Team, only when early intervention services cannot be achieved satisfactorily in a natural environment. (34 CFR §303.126)
X		20. The Statewide system ensures that Federal funds made available to the State under section 643 of the Act will be expended in accordance with the provisions of 34 CFR Part 303, including §§303.500 and 303.501. (34 CFR §303.221)

DocuSign Envelope ID: CDBB2A0B-071D-4F3A-967B-A571668CA3A7

Yes *(Assurance is hereby provided.)*	No *(Assurance cannot be ensured. Provide date on which State will complete changes in order to provide assurance.)* *Check and enter date(s) as applicable*	**Subpart B—Assurances** (20 U.S.C. 1434; 1435; and 1437(b); 34 CFR §§303.101-126; 303.220; 303.227)
X		21. The Statewide system will comply with the requirements in §§303.510 and 303.511 in subpart F of this part. (34 CFR §303.222)
X		22. The Statewide system ensures that— (a) The control of funds provided under 34 CFR Part 303, and title to property acquired with those funds, will be in a public agency for the uses and purposes provided in 34 CFR Part 303; and (b) A public agency will administer the funds and property. (34 CFR §303.223)
X		23. The Statewide system ensures that it will— (a) Make reports in the form and containing the information that the Secretary may require; and (b) Keep records and afford access to those records as the Secretary may find necessary to ensure compliance with the requirements of 34 CFR Part 303, the correctness and verification of reports, and the proper disbursement of funds provided under 34 CFR Part 303. (34 CFR §303.224)
X		24. The Statewide system ensures that – (a) Federal funds made available under section 643 of the Act to the State – (1) Will not be commingled with State funds; and (2) Will be used so as to supplement the level of State and local funds expended for infants and toddlers with disabilities and their families and in no case to supplant those State and local funds. (b) To meet the requirement in paragraph (a) of this section, the total amount of State and local funds budgeted for expenditures in the current fiscal year for early intervention services for children eligible under this part and their families must be at least equal to the total amount of State and local funds actually expended for early intervention services for these children and their families in the most recent preceding fiscal year for which the information is available. Allowance may be made for—

DocuSign Envelope ID: CDBB2A0B-071D-4F3A-967B-A571668CA3A7

Yes *(Assurance is hereby provided.)*	No *(Assurance cannot be ensured. Provide date on which State will complete changes in order to provide assurance.)* *Check and enter date(s) as applicable*	**Subpart B—Assurances** (20 U.S.C. 1434; 1435; and 1437(b); 34 CFR §§303.101-126; 303.220; 303.227)
		(1) A decrease in the number of infants and toddlers who are eligible to receive early intervention services under this part; and (2) Unusually large amounts of funds expended for such long-term purposes as the acquisition of equipment and the construction of facilities. (c) Requirement regarding indirect costs. (1) Except as provided in paragraph (c)(2) of this section, a lead agency under this part may not charge indirect costs to its Part C grant. (2) If approved by the lead agency's cognizant Federal agency or by the Secretary, the lead agency must charge indirect costs through either— (i) A restricted indirect cost rate that meets the requirements in 34 CFR 76.560 through 76.569; or (ii) A cost allocation plan that meets the non-supplanting requirements in paragraph (b) of this section and 34 CFR Part 76 of EDGAR. (3) In charging indirect costs under paragraph (c)(2)(i) and (c)(2)(ii) of this section, the lead agency may not charge rent, occupancy, or space maintenance costs directly to the Part C grant, unless those costs are specifically approved in advance by the Secretary. (34 CFR §303.225)
X		25. The Statewide system ensures that fiscal control and fund accounting procedures will be adopted as necessary to ensure proper disbursement of, and accounting for, Federal funds paid under 34 CFR Part 303. (34 CFR §303.226)
X		26. The State ensures that policies and practices have been adopted to ensure that— (a) Traditionally underserved groups, including minority, low-income, homeless, and rural families and children with disabilities who are wards of the State, are meaningfully involved in the planning and implementation of all the requirements of Part C; and (b) These families have access to culturally competent services within their local geographical areas. (34 CFR §303.227)

DocuSign Envelope ID: CDBB2A0B-071D-4F3A-967B-A571668CA3A7

Yes *(Assurance is hereby provided.)*	No *(Assurance cannot be ensured. Provide date on which State will complete changes in order to provide assurance.)* *Check and enter date(s) as applicable*	**Subpart B—Assurances** (20 U.S.C. 1434; 1435; and 1437(b); 34 CFR §§303.101-126; 303.220; 303.227)
		Assurance Regarding Optional Policy
N/A		*Enter 'NA' in the cell to the left if this assurance is not applicable to your State.* 27. A State may adopt and has adopted a policy that includes making ongoing good-faith efforts to recruit and hire appropriately and adequately trained personnel to provide early intervention services to infants and toddlers with disabilities, including, in a geographic area of the State where there is a shortage of such personnel, the most qualified individuals available who are making satisfactory progress toward completing applicable course work necessary to meet the standards described in paragraphs (a) and (b) of this section. (34 CFR §303.119(d))

DocuSign Envelope ID: CDBB2A0B-071D-4F3A-967B-A571668CA3A7

C. Certifications

The State Lead Agency 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 it has met the certifications in the Education Department General Administrative Regulations (EDGAR) at 34 CFR §80.11 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 financial responsibility for the provision of Part C services among appropriate public agencies under §303.511 and the lead agency's contracts with EIS providers regarding financial responsibility for the provision of Part C services meet the requirements in §§303.500 through 303.521 and are current as of the date of submission of the certification. (34 CFR §303.202)

DocuSign Envelope ID: CDBB2A0B-071D-4F3A-967B-A571668CA3A7

D. Statement

I certify that the State of North Carolina has provided the policies, procedures, methods, descriptions, and assurances checked as 'yes' in Sections II.A and II.B and the certifications required in Section II.C of this application. These provisions meet the requirements of Part C of the Individuals with Disabilities Education Act as found in 20 U.S.C. 1431-1443 (as amended) and the 2011 regulations in 34 CFR Part 303 (as amended). The State will operate its IDEA Part C program in accordance with all of the required policies, procedures, methods, descriptions, assurances and certifications.

If any policies, procedures, methods, descriptions, and assurances have been checked 'no', I certify that the State will operate throughout the period of this grant award consistently with the requirements of the IDEA as found in 20 U.S.C. 1431-1443 (as amended) and the 2011 regulations in 34 CFR Part 303 (as amended), 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, 2021. (34 CFR §76.104)

I, the undersigned authorized official of the

North Carolina Department of Health and Human Services,

am designated under Part C by the Governor of this State to submit this application for FFY 2020 funds under Part C of the Individuals with Disabilities Education Act (IDEA).

Printed/Typed Name and Title of Authorized Representative of the State:	
Mandy Cohen, MD, MPH, Secretary	
Signature: DocuSigned by: Mark T. Gaston 65A1EF320AD6419...	Date: 4/30/2020 | 5:39 PM EDT

DocuSign Envelope ID: CDBB2A0B-071D-4F3A-967B-A571668CA3A7

Section III

A. Description of Use of Federal IDEA Part C Funds for the State Lead Agency (LA) and the Interagency Coordinating Council (ICC)[2]

Please Note: Completion of Section IIIA is required for all States, regardless of lead agency.

When completing this section include:

- Totals for the number of lead agency and ICC administrative positions, salaries and fringe benefits funded either 100 percent and/or less than 100 percent with Federal IDEA Part C funds;
- A general description of the duties which the positions entail;
- A distinction between lead agency and ICC roles: insert (LA) or (ICC) in the "Description of Duties;" after each position; and
- A subtotal of the amount.

Identify any administrative positions for which less than 100% of the time is spent on Part C and, for each such position, indicate the percentage of time spent on Part C and the total amount of salary and fringe benefits included in the Part C application budget.

Positions Funded	Number of Positions	% of Time Spent on Part C	Salaries & Fringe Benefits	Description of Duties
100% funded with Part C Funds	62	100%	$4,536,000	(LA) - 16 State Office Staff (2 Management Staff, 8 Program Support Staff, 5 Information Technology Staff) responsible for state management, system of general supervision including monitoring, professional development, and technical assistance. (ICC) – 1 State ICC Coordinator as part of the LA State Office Staff count 46 Billing, Record Keeping, and Business Staff in the Children's Developmental Services Agencies (CDSAs)
Subtotal of amount under A:			$4,536,000	

[2] Federal IDEA Part C funds used to support the SICC must meet the requirements of 34 CFR §303.603.

DocuSign Envelope ID: CDBB2A0B-071D-4F3A-967B-A571668CA3A7

Section III (*Continued*)

B. Maintenance and Implementation Activities for the Lead Agency and the ICC

When completing this section include:

- A description of the nature and scope of each major activity to be carried out under Part C in maintaining and implementing the statewide system of early intervention services:
  - Lead Agency Activities could include enhancing the Comprehensive System of Personnel Development, implementing child find strategies, or ensuring a timely, comprehensive, multidisciplinary evaluation for each child;
  - ICC Activities could include coordinating child find identification efforts, ensuring the timely provision and payment of early intervention services to eligible children and their families, advising on early childhood transition, support for the ICC (travel), or other implementation and development activities of the ICC
- The approximate amount of Federal IDEA Part C funds to be spent for each activity; and
- A subtotal of the amount.

Special Note: Prior Approval

Some activities or expenses[3] require prior approval. These items include using Federal IDEA Part C funds for: (1) equipment (with per unit costs of $5,000 or more); (2) participant support costs (such as training or travel costs for non-employees); (3) construction or renovation of facilities; or (4) rent, occupancy or space maintenance costs. On October 29, 2019, OSERS released *Frequently Asked Questions (FAQs) Prior Approval – OSEP and RSA Formula Grants* which details prior approval flexibilities for **equipment and participant support costs** and describes the parameters under which OSEP has provided prior approval for a subset of these costs. Please review this FAQ at https://www2.ed.gov/policy/speced/guid/faq-prior-approval-10-29-2019.pdf) prior to completing Section III. B. For any activity or expense listed under Section III of this application that falls outside the scope of the FAQ and requires OSEP prior approval, mark an "X" in the chart below. Although the State will be required to submit supporting documentation for any expenses that require OSEP prior approval, you do not need to include this documentation with Section III.

Approval of the State's FFY 2020 application and Section III does not constitute OSEP's approval of these expenses.

(Add rows as needed)

Major Activity	Part C Funds to be Spent	Description of Activities	Prior Approval Needed
Family Support and Education	$15,500	(LA) - Family support training, activities; Family Leadership and enhancing parent capacity.	
Program Administration Operating Costs	$206,787	(LA) - Required travel, office supplies and equipment; communication and data processing for State Office staff.	
Direct Service Operating Costs	$375,772	(LA) - Payment for foreign language translations/interpretations for local lead agencies.	

[3] IDEA and the Uniform Guidance require prior approval for the following expenses: (1) equipment (tangible personal property (including information technology systems) having a useful life of more than one year and a per unit acquisition cost which equals or exceeds the lesser of the capitalization level established by the nonfederal entity for financial statement purposes, or $5,000 (see 2 CFR §200.33)); (2) participant support costs (direct costs for items such as stipends or subsistence allowances, travel allowances, and registration fees paid to or on behalf of participants or trainees (but not employees), in connection with conferences or training projects 2CFR §200.75; (3) construction/renovation (see 2 CFR §200.12(b)); and (4) rent (see 2 CFR §200.465)).

DocuSign Envelope ID: CDBB2A0B-071D-4F3A-967B-A571668CA3A7

Major Activity	Part C Funds to be Spent	Description of Activities	Prior Approval Needed
ICC Members	$4,500	(ICC) - Travel for ICC members and stipends.	X
Child Find and Public Awareness	$60,500	(LA) – Payments to LICCs for Child Find and Public Awareness Activities	
Subtotal of amount under B:	$663,059		

DocuSign Envelope ID: CDBB2A0B-071D-4F3A-967B-A571668CA3A7

Section III (*Continued*)

C. Direct Services (Funded by Federal IDEA Part C Funds)

When completing this section include:

- A description of any direct early intervention service that the State lead agency expects to provide to eligible children and their families with Federal IDEA Part C funds;
- The approximate amount for each direct service (States must disaggregate by service the approximate amount of Federal IDEA Part C funds expected to be expended for each direct service; and
- A subtotal of the amount.

(Add rows as needed.)

Description of Each Direct Early Intervention Service	Approximate Amount of Federal IDEA Part C Funds to be Spent on Each Direct Service
Contracts for Children's Developmental Services Agencies	$1,053,221
Payments for Services	$171,000
Direct Service Employees (detail on next page)	$6,905,877
Subtotal of amount under C:	$8,130,098

DocuSign Envelope ID: CDBB2A0B-071D-4F3A-967B-A571668CA3A7

Direct Service Employees (Discipline)	Salary and Fringe	% Part C	Description of Duties				
88	$6,905,877	100%	**Discipline**	**# of Discipline**	**Amount (Salary and Fringe)**	**Part C Percentage**	**Services Provided**
			Speech Therapists	7	$629,136	100	Speech/language evaluations and therapy
			Physical Therapists	6	$687,702	100	Fine and gross motor evaluations and physical therapy
			Pediatricians	1	$198,420	100	Medical services
			Psychologists	2	$177,954	100	Cognitive evaluations
			Social Workers	3	$252,530	100	Evaluation, eligibility determination and family assessments
			Foreign Language Interpreters	3	$167,751	100	Translations, interpretations
			Educational Diagnosticians	5	$383,797	100	Evaluation, eligibility determination
			Service Coordinators	59	$4,214,917	100	Service coordination, Individualized Family Service Plan (IFSP) development and monitoring
			Occupational Therapists	2	$193,670	100	Occupational evaluations and therapy
			Total	**88**	**$6,905,877**		
Sub Total:	**$6,905,877**						

DocuSign Envelope ID: CDBB2A0B-071D-4F3A-967B-A571668CA3A7

Section III (*Continued*)

D. Activities by Other State Agencies

If State agencies (other than the State lead agency) are to receive a portion of the Federal IDEA Part C funds and that amount is not already identified in Section III.C above, the State must include in this section:

- The name of each State public agency expected to receive funds;
- The approximate amount of funds each State public agency will receive; and
- A summary of the purposes for which the funds will be used.

Provide subtotal of amount. *(Add rows as needed.)*

State Agency Receiving Funds	Amount of Funds	Purpose
J. Iverson Riddle Developmental Center	$165,570	Operation of a statewide assistive technology lending program.
Subtotal of amount under D:	$165,570	

DocuSign Envelope ID: CDBB2A0B-071D-4F3A-967B-A571668CA3A7

Section III (*Continued*)

E. Description of Optional Use of IDEA Part C Funds[4]

In addition to using Federal IDEA Part C funds to maintain and implement the statewide system of early intervention, States may use funds for:

- expanding and improving on services for infants and toddlers and their families that are otherwise available; and
- initiating, expanding, or improving collaborative efforts related to at-risk infants and toddlers in any State that does not provide services for at-risk infants and toddlers. The application must include:
  - The name of the major activity;
  - The approximate amount of funds to be spent; and
  - A description of the activities.

Provide subtotal of amount. *(Add rows as needed.)*

Major Activity	Part C Funds to be Spent	Description of Activities
N/A		
Subtotal of amount under E:	$0.00	

[4] See IDEA section 638.

DocuSign Envelope ID: CDBB2A0B-071D-4F3A-967B-A571668CA3A7

Section III (*Continued*)

F. Totals

Enter the subtotal amounts for Sub Sections A-E found in Section III and any indirect costs charged as specified in Section IV.B. The subtotal amounts (Rows 1-6) should total the estimated grant application amount. (A State may apply for less than the full estimated allotted amount.)

Row No.	Section	Amount
Enter the subtotal amounts for Sub Sections A-E found in Section III of this application.		
1.	III.A.	$4,536,000
2.	III.B.	$663,059
3.	III.C.	$8,130,098
4.	III.D.	$165,570
5.	III.E.	$0.00
Enter any Indirect Costs Charged (See Section IV.B of this application.)		
6.	IV.B	$422,494
Total (Rows 1-6)		$13,917,221

DocuSign Envelope ID: CDBB2A0B-071D-4F3A-967B-A571668CA3A7

Section IV

A. System of Payments / Use of Insurance / Program Income

The State

__X___ does (check as applicable)

_____ does not (check as applicable)

have a system of payments for Part C services under 34 CFR §§303.203(b)(1), 303.500(b), 303.520, and 303.521 which may include the use of public benefits or insurance, private insurance or family fees, such as a sliding scale. Any family fees collected are treated as "program income" for purposes of 2 CFR §200.307(e) and 34 CFR §303.520(e) and are not included in the State's determination of State and local expenditures for purposes of 20 U.S.C. 1437(b)(5)(B) and 34 CFR §303.225(a) and (b).

Note: If the State has adopted new or has revised its existing policies and procedures regarding its system of payments, it must submit these new and/or revised policies and procedures under Item 3.a in Section II.A above.

B. Restricted Indirect Cost Rate/Cost Allocation Plan Information

Under 34 CFR §303.225(c), a lead agency may not charge indirect costs to its Part C grant unless the lead agency charges indirect costs through either— (i) A restricted[5] indirect cost rate that meets the requirements in 34 CFR §§76.560 through 76.569; or (ii) A cost allocation plan that meets the non-supplanting requirements in paragraph (b) of this section and 34 CFR part 76 of EDGAR.

Check the applicable status below (more than one check mark may be necessary) and enclose appropriate documentation for this Federal Fiscal Year.

_____ No indirect costs are charged to the Part C grant. The total amount of the Federal Part C grant is used for allowable direct costs.

_____ The lead agency is an State educational agency (SEA) and works directly with the U.S. Department of Education's Indirect Cost Unit to ensure that indirect costs are only charged on a restricted basis to the State's IDEA Part C grant.

_____ The lead agency is not an SEA and has a final restricted indirect cost rate that has been approved by the State lead agency's cognizant Federal agency and is in effect for this FFY (ending on June 30, 2021). (The State must attach a copy of the approved restricted indirect cost rate agreement.)

_____ The lead agency is not an SEA and has either a provisional or final restricted indirect cost rate that expires or expired on _____ and the State is in the process of negotiating a new restricted indirect cost rate agreement that will be in effect for the period _____.[6] The State lead agency will continue to charge or bill the Part C grant using the provisional or previously approved final restricted indirect cost rate until a new rate is negotiated and approved by the State's cognizant Federal agency, at which point the State lead agency must make appropriate adjustments for applicable FFYs. The State acknowledges that a final restricted indirect cost rate may result in an adjustment of the final audited expenditures allowable to be charged to the Part C grant and the Department's approval of this FFY Part C application with an expired or provisional restricted indirect cost rate does not constitute approval of that rate as the final rate for the lead agency for this FFY. When a final restricted indirect cost

---

[5] Charging indirect costs on a "restricted" basis is a key part of implementing the IDEA Part C requirement in IDEA section 637(b)(5)(B), which requires that federal funds be used to supplement (and not supplant) "State and local funds expended for infants and toddlers with disabilities and their families. The restricted indirect cost rate formula is described at 34 CFR §§75.564 and 76.565. The formula limits the general administrative costs that can be included in the indirect cost pool (numerator) and requires adjustments to the modified total direct cost (MTDC) base (denominator).

[6] A "provisional" indirect cost rate is a temporary rate established for a future prospective period of time to permit budgeting, obligations, and payment of funds by awarding agencies until such time as the actual indirect costs can be determined and a final rate is established for the applicable period; provisional rates are subject to adjustment by issuance of a "final" rate based on actual indirect costs incurred for the period (usually the organization's fiscal year).

DocuSign Envelope ID: CDBB2A0B-071D-4F3A-967B-A571668CA3A7

rate is approved, the lead agency must submit to OSEP: (1) a copy of the "final" restricted indirect cost rate agreement; and (2) details of adjustments made to past GAPS draw downs in light of the "final" rate. (The State must attach a copy of the previously approved restricted indirect cost rate agreement.)

__X___ The lead agency is not an SEA and has a final cost allocation plan that has been approved by the State lead agency's cognizant Federal agency, which is DHHS. The cost allocation plan charges costs only on a restricted basis and has also been approved by ED's Indirect Cost Unit. It is in effect for this Federal fiscal year (FFY) (ending on June 30, 2021). (The State must attach a copy of the approved cost allocation plan and approval documentation from both the lead agency's cognizant Federal agency and ED's Indirect Cost Unit.)

DocuSign Envelope ID: CDBB2A0B-071D-4F3A-967B-A571668CA3A7

DEPARTMENT OF HEALTH & HUMAN SERVICES

Program Support Center
Financial Management Portfolio
Cost Allocation Services

90 7th Street, Suite 4-600
San Francisco, CA 94103-6705
PHONE: (415) 437-7820
FAX: (415) 437-7823
EMAIL: CAS-SF@psc.hhs.gov

October 15, 2018

Ms. Laketha M. Miller, Controller
Office of the Controller
North Carolina Department of Health and Human Services
2019 Mail Service Center
Raleigh, NC 27699-2019

Dear Ms. Miller:

This letter provides approval of the North Carolina Department of Health and Human Services Cost Allocation Plan Amendment 2018-1, which was transmitted by letter dated June 30, 2017. This amendment, which was submitted in accordance with 45 CFR 95, Subpart E, is effective July 1, 2017.

Acceptance of the actual costs in accordance with the approved Plan is subject to the following conditions:

1. The information contained in the Plan and provided by the State in connection with our review of the Plan is complete and accurate in all material respects.

2. The actual costs claimed by the State are allowable under prevailing cost principles, program regulations and law.

3. The claims conform with the administrative and statutory limitations against which they are made.

This approval relates only to the methods of identifying and allocating costs to programs, and nothing contained herein should be construed as approving activities not otherwise authorized by approved program plans or Federal legislation and regulations.

Implementation of the approved cost allocation plan may subsequently be reviewed by authorized Federal staff. The disclosure of inequities during reviews may require changes to the Plan.

If you have any questions concerning the contents of this letter, please contact Jill Wilson of my staff at (301) 492-4881. Please submit your next proposed Plan amendment electronically via email to CAS-SF@psc.hhs.gov.

Sincerely,

Arif M. Karim -S

Digitally signed by Arif M. Karim -S
DN: c=US, o=U.S. Government, ou=HHS, ou=PSC, ou=People, cn=Arif M. Karim -S, 0.9.2342.19200300.100.1.1=2000212895
Date: 2018.10.16 13:48:30 -05'00'

Arif Karim, Director
Cost Allocation Services

cc: Cheryl Pressley, ACF
Karen Harmon, SSA
Trina Roberts, CMS
Wanda Hall, ORR
Francisco Lebron, FNS
David Steele, DoEd

DocuSign Envelope ID: CDBB2A0B-071D-4F3A-967B-A571668CA3A7
DocuSign Envelope ID: C586F638-434F-41E9-9B84-0378BE015BD9

NC DEPARTMENT OF
HEALTH AND
HUMAN SERVICES

ROY COOPER • Governor
MANDY COHEN, MD, MPH • Secretary
MARK T. BENTON • Assistant Secretary for Public Health
Division of Public Health

April 30, 2020

Gregory R. Corr, Ed.D
Division Director
Monitoring and State Improvement Planning
Office of Special Education programs
400 Maryland Ave. S.W.
Washington, DC 20202-2600

Dear Dr. Corr,

The North Carolina Department of Health and Human Services, Division of Public Health's Early Intervention Branch, as the State Lead Agency for Part C Services under the Individuals with Disabilities Education Act (IDEA), requests prior approval for FFY 2019, for participant support costs for non-State employees, pursuant to 2 CFR §200.75. This request is per the requirements and regulations of the Office of Management and Budget Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (OMB Uniform Guidance).

Specifically, North Carolina's Infant-Toddler Program (NC ITP) anticipates using IDEA funds (direct costs) to support expenditures that are allowable and allocable, as well as necessary and reasonable for members of the State Interagency Coordinating Council (ICC) for providing stipends or subsistence allowances, travel and registration fees paid to or on behalf of ICC members who cannot travel to and from meetings in one-day due to the distances involved. Additionally, when relevant, the NC ITP includes parents from the State ICC in federal level conferences, such as the OSEP Leadership Conference or other conferences geared specifically for parents of children with disabilities.

The NC ITP appreciates in advance, your consideration of this request, which is also reflected in Section III.B of the FFY 2020 IDEA Part C Grant Application.

Sincerely,

DocuSigned by:
Sharon Loza
88D10497A727441...

Sharon Loza, M.Ed., M.A.
Early Intervention Branch Head / Part C Coordinator
Early Intervention Branch
Women's and Children's Section
Division of Public Health
North Carolina Department of Health and Human Services