

# PRTF Handbook

Educational Services in Psychiatric Residential Treatment Facilities

July 2015

*Developed as a result of the collaborative  
efforts of:*

NC DPI: Exceptional Children Division

NC Department of Health & Human Services

Psychiatric Residential Treatment Facilities

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## Introduction and Contact Information

Senate Bill 744/Session Law 2014-100 Appropriations Act of 2014 – Education of Children in Private Psychiatric Residential Treatment Facilities (PRTFs). Section 8.39

The Department of Health and Human Services and the North Carolina Department of Public Instruction have been working collaboratively on the process for implementing the legislation regarding Education services to children in PRTFs.

This Handbook contains information regarding educational, contract and reporting requirements of the legislation.

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### Senate Bill 744 2014-100 Appropriations Act of 2014

#### EDUCATION OF CHILDREN IN PRIVATE PSYCHIATRIC RESIDENTIAL TREATMENT FACILITIES

**SECTION 8.39.(a)** G.S. 108A-80 reads as rewritten:

**"§ 108A-80. Confidentiality of records.**

(a) Except as provided in subsections (b) and (b1) of this section, it shall be unlawful for any person to obtain, disclose or use, or to authorize, permit, or acquiesce in the use of any list of names or other information concerning persons applying for or receiving public assistance or social services that may be directly or indirectly derived from the records, files or communications of the Department or the county boards of social services, or county departments of social services or acquired in the course of performing official duties except for the purposes directly connected with the administration of the programs of public assistance and social services in accordance with federal law, rules and regulations, and the rules of the Social Services Commission or the Department.

(b) The Department shall furnish a copy of the recipient check register monthly to each county auditor showing a complete list of all recipients of Work First Family Assistance in Standard Program Counties and State-County Special Assistance, their addresses, and the amounts of the monthly grants. An Electing County whose checks are not being issued by the State shall furnish a copy of the recipient check register monthly to its county auditor showing a complete list of all recipients of Work First Family Assistance in the Electing County, their addresses, and the amounts of the monthly payments. These registers shall be public records open to public inspection during the regular office hours of the county auditor, but the registers or the information contained therein may not be used for any commercial or political purpose. Any violation of this section shall constitute a Class 1 misdemeanor.

(b1) The Department may share confidential information concerning a person receiving public assistance or social services with a local school administrative unit and with the Department of Public Instruction. Disclosure is limited to that information necessary to establish, coordinate, or maintain appropriate educational services for the person receiving public assistance or social services.

(c) Any listing of recipients of benefits under any public assistance or social services program compiled by or used for official purposes by a county board of social services or a county department of social services shall not be used as a mailing list for political purposes. This prohibition shall apply to any list of recipients of benefits of any federal, State, county or mixed public assistance or social services program. Further, this prohibition shall apply to the use of such listing by any person, organization, corporation, or business, including but not limited to public officers or employees of federal, State, county, or other local governments, as a mailing list for political purposes. Any violation of this section shall be punishable as a Class 1 misdemeanor

(d) The Social Services Commission may adopt rules governing access to case files for social services and public assistance programs, except the Medical Assistance Program. The Secretary of the Department of Health and Human Services shall have the authority to adopt rules governing access to medical assistance case files."

**SECTION 8.39.(b)** G.S. 115C-12 is amended by adding a new subdivision to read:

"(44) Duty to Ensure Educational Services in Private Psychiatric Residential Treatment Facilities (PRTFs). – The Board, in collaboration with the Department of Health and Human Services, shall ensure that educational services are provided to all students in PRTFs as required under Part 4 of Article 6 of Chapter 122C of the General Statutes. The Board shall ensure that a child with a disability as defined under G.S. 115C-106.3(1) in a PRTF receives educational services and procedural safeguards as provided in Article 9 of this Chapter."

**SECTION 8.39.(c)** G.S. 122C-23.1 reads as rewritten:

**"§ 122C-23.1. Licensure of residential treatment facilities.**

(a) The General Assembly finds:

- (1) That much of the care for residential treatment facility residents is paid by the State and the counties;
- (2) That the cost to the State for care for residents of residential treatment facilities is substantial, and high vacancy rates in residential treatment facilities further increase the cost of care;
- (3) That the proliferation of residential treatment facilities results in costly duplication and underuse of facilities and may result in lower quality service;
- (4) There is currently no ongoing relationship between some applicants for licensure and local management entities (LMEs) that are responsible for the placement of children and adults in residential treatment facilities; and
- (5) That it is necessary to protect the general welfare and lives, health, and property of the people of the State for the local management entity (LME) to verify that additional beds are needed in the LME's catchment area before new residential treatment facilities are licensed. This process is established to ensure that unnecessary costs to the State do not result, residential treatment facility beds are available where needed, and that individuals who need care in residential treatment facilities may have access to quality care.

Based on these findings, the Department of Health and Human Services may license new residential treatment facilities if the applicant for licensure submits with the application a letter of support obtained from the local management entity in whose catchment area the facility will be located. The letter of support shall be submitted to the Department of Health and Human Services, Division of Health Service Regulation and Division of Mental Health, Developmental Disabilities, and Substance Abuse Services, and shall specify the number of existing beds in the same type of facility in the catchment area and the projected need for additional beds of the same type of facility.

(b) All private psychiatric residential treatment facilities (PRTFs), as defined in G.S. 122C-450(a)(3), that serve children eligible to attend the public schools in accordance with G.S. 115C-366, including a student who has been suspended or expelled but otherwise meets the requirements of that statute, shall have a facility-based school as a condition of licensure. Subject to the time limits of subsection (c) of this section, the school shall meet all the requirements of a qualified nonpublic school under Article 39 of Chapter 115C of the General Statutes and of a Nonpublic Exceptional Children's Program as defined in G.S. 122C-450(a)(2). The requirements of this subsection and subsection (c) of this section do not apply to PRTFs that are approved charter schools pursuant to Part 6A of Article 16 of Chapter 115C of the General Statutes.

(c) The Department of Health and Human Services may issue an initial license to a PRTF that meets all licensure requirements except for the approval of the facility-based school as a Nonpublic Exceptional Children's Program by the Department of Public Instruction. This initial license is valid for a period of six months, during which time the PRTF shall obtain approval of its facility-based school as a Nonpublic Exceptional Children's Program by the Department of Public Instruction. If such approval is not obtained before the expiration of the initial license, the Department of Health and Human Services shall review the PRTF's license for appropriate action. If the PRTF obtains approval as a Nonpublic Exceptional Children's Program, the Department of Health and Human Services may issue a license for the remainder of the calendar year, and the facility is eligible for annual renewal thereafter.

(d) At any time upon receipt of a written notice from the Department of Public Instruction that a PRTF has not provided or is not providing educational services, or is not reasonably cooperating with the Department of Public Instruction to ensure those services are provided and that compliance with State and federal law is assured, the Department of Health and Human Services shall review the PRTF's license for appropriate action. The Department of Health and Human Services may issue sanctions including (i) requiring a refund of all State funds disbursed for the provision of educational services for the current fiscal year, (ii) barring future funding for the provision of educational services for the current or following year, or (iii) suspending or revoking the PRTF's license.

(e) as used in this section, "residential treatment facility" means a "residential facility" as defined in and licensed under this Chapter, but not subject to Certificate of Need requirements under Article 9 of Chapter 131E of the General Statutes."

**SECTION 8.39.(d)** G.S. 122C-55 is amended by adding a new subsection to read:

"(g2) Whenever there is reason to believe that the client is eligible for educational services through a governmental agency, a facility shall disclose client identifying information to the Department of Public Instruction. Disclosure is limited to that information necessary to establish, coordinate, or maintain educational services. The Department of Public Instruction may further disclose client identifying information to a local school administrative unit as necessary."

**SECTION 8.39.(e)** Article 6 of Chapter 122C of the General Statutes is amended by adding a new Part to read:

"Part 4. Educational Services in Private Psychiatric Residential Treatment Facilities.

**"§ 122C-450. Definitions.**

(a) The following definitions apply in this Part:

(1) "Educational services" means appropriate education-related assessment and instruction provided to any child residing in a private psychiatric residential treatment facility, including special education and related services to a child with a disability as defined in G.S. 115C-106.3(1). An education-related assessment includes the determination of need for special education and related services.

(2) "Nonpublic Exceptional Children's Program" means a facility-based school that meets all of the following criteria:

a. Provides at least one teacher for every 14 students. The PRTF shall report exceptions to this requirement to (i) the Division of Mental Health, Developmental Disabilities, and Substance Abuse Services (MH/DD/SAS) to request additional funding for educational services as provided under G.S. 122C-450.1(d) to the extent that funds are available and, if funds are not available, (ii) the Department of Public Instruction to request a waiver from this requirement.

b. Provides at least one teacher with a North Carolina Professional Educator license in special education, if there is a child with a disability as defined in G.S. 115C-106.3(1) residing in the PRTF.

c. Registers with the Department of Administration, Division of Nonpublic Schools, under Article 39 of Chapter 115C of the General Statutes.

d. Has been approved by the Department of Public Instruction to provide educational services as promulgated by the rules adopted by the State Board of Education pursuant to the Administrative Procedures Act.

(3) "Private psychiatric residential treatment facility" (PRTF) means a facility, other than a hospital, that provides psychiatric and other behavioral health services as described in Subpart D of C.F.R. Part 441 of Chapter 42 to individuals under age 21 in an inpatient setting licensed by the Department of Health and Human Services as provided under Chapter 122C of the General Statutes. A PRTF does not include a State-operated facility.

**"§ 122C-450.1. Eligibility and allocations.**

(a) A child who is receiving psychiatric and other behavioral health services in a PRTF shall also receive educational services in accordance with federal and State law, if the child is eligible to enroll in public schools as provided in G.S. 115C-366, including a student who has been suspended or expelled but otherwise meets the requirements of that statute. For a child with a disability, as defined in G.S. 115C-106.3(1), who has been placed in a PRTF, all educational services shall meet applicable standards as required under Article 9 of Chapter 115C of the General Statutes.

A PRTF shall be qualified to receive a funding allocation, to the extent that funds are available from the Department of Health and Human Services, to provide educational services if the following

conditions are met:

(1) The PRTF is licensed by the Department of Health and Human Services pursuant to Chapter 122C of the General Statutes and has a facility-based school approved by the Department of Public Instruction as a Nonpublic Exceptional Children's Program.

(2) The PRTF documents deviations from educational and other programmatic requirements when it is medically necessary for a resident in accordance with G.S. 122C-62(e).

(c) A PRTF that meets the qualification standards required in subsection (b) of this section may enter into an educational services contract, to the extent that funds are available, with a local school administrative unit to assist in the delivery of educational services to the children in the PRTF. The contract shall clearly define the education-related assessment, instruction, and legal responsibilities of both parties engaging in the educational services contract. A PRTF entering into an educational services contract with a local school administrative unit shall submit the educational services contract to both the Department of Public Instruction and the Department of Health and Human Services for inclusion in any required reports to the General Assembly regarding the provision of educational services to children in PRTFs.

(d) To the extent that funds are available in the Department of Public Instruction for the delivery of educational services in PRTFs as provided in this Part, those funds shall be transferred to the Department of Health and Human Services, Division of Mental Health, Developmental Disabilities, and Substance Abuse Services (DMH/DD/SAS). The funds transferred for the purchase of educational services within the PRTF shall not be allocated to LME/MCOs but shall be held in reserve at the DMH/DD/SAS. The DMH/DD/SAS shall use the reserve funds to pay for educational services authorized by the Department of Public Instruction and billed by the PRTFs in a process established by the DMH/DD/SAS. The funds transferred to the DMH/DD/SAS pursuant to this section shall be allocated to the PRTFs for educational services in a manner determined by the Department of Health and Human Services and the Department of Public Instruction in a Memorandum of Understanding or a Memorandum of Agreement. The Department of Health and Human Services shall disburse for these purposes only those funds transferred from the Department of Public Instruction.

(e) The Department of Health and Human Services shall cease disbursement of educational funding to a PRTF upon receipt of a written notice from the Department of Public Instruction that educational services have not been provided. Educational funding disbursement shall be reinstated by the Department of Health and Human Services upon written notice from the Department of Public Instruction that the PRTF is providing educational services.

(f) A PRTF that receives educational funding shall comply with all audit and accounting policies applicable to other public and private entities receiving public funding.

#### **"§ 122C-450.2. Information sharing.**

(a) Within three business days of admitting a child into a PRTF, the admitting PRTF shall notify (i) the Department of Public Instruction and (ii) the local school administrative unit in which the child was last enrolled, if known. The PRTF shall request a copy of the child's most current Individualized Education Program and any other available documents related to the provision of appropriate educational services from the local school administrative unit. To the extent practicable, the local school administrative unit shall provide this information within three business days of receiving a request made pursuant to this subsection. Upon withdrawal or discharge of a child, the PRTF shall notify the Department of Public Instruction within three business days of such withdrawal or discharge.

(b) The PRTF and the receiving local school administrative unit shall work together to develop a transition plan, including a revised Individualized Education Program, if necessary, to be implemented upon discharge of the child residing in a PRTF.

#### **"§ 122C-450.3. Technical assistance and monitoring.**

The State Board of Education and the Department of Public Instruction shall (i) offer training to PRTFs on compliance with special education laws and regulations, (ii) maintain a current list of names of children residing in PRTFs along with the name and contact information of the PRTF in which each



child resides, and (iii) develop and implement rules to monitor the delivery of educational services in PRTFs, including a process to inform the Department of Health and Human Services when services are not being provided. The Department of Health and Human Services shall appropriately enforce applicable licensing requirements as provided under G.S. 122C-23.1.

**"§ 122C-450.4. Reporting requirement.**

The Department of Health and Human Services and the Department of Public Instruction, in collaboration with other interested agencies, shall submit, by January 15 of each year, a joint report to the Joint Legislative Education Oversight Committee and to the Joint Legislative Oversight Committee on Health and Human Services on the delivery of educational services in PRTFs, including (i) the annual number of children by age residing in a PRTF both with and without an Individualized Education Program, (ii) the average length of stay of these children, (iii) the types of educational services, including number of hours each type of service has been provided, (iv) the costs and outcomes of providing educational services, and (v) recommendations for improving the efficiency and effectiveness of delivering educational services to children residing in PRTFs."

**SECTION 8.39.(f)** As of the effective date of this act, PRTFs that are licensed to serve children eligible to enroll in public schools as provided in G.S. 115C-366, including a student who has been suspended or expelled but otherwise meets the requirements of that statute, shall have six months after their next annual renewal to obtain approval of their facility-based school by the Department of Public Instruction as a Nonpublic Exceptional Children's Program. If such approval is not obtained before the expiration of the additional six months, the Department of Health and Human Services shall review the PRTF's license for appropriate action. This subsection does not apply to PRTFs that are approved charter schools pursuant to Part 6A of Article 16 of Chapter 115C of the General Statutes.

**SECTION 8.39.(g)** The State Board of Education shall adopt emergency rules pursuant to G.S. 150B-21.1A to monitor the delivery of educational services in PRTFs, including a process to inform the Department of Health and Human Services when services are not being provided.

**SECTION 8.39.(h)** The Department of Health and Human Services and the Department of Public Instruction, in collaboration with other interested agencies, shall submit its initial joint report, as required by G.S. 122C-450.4, to the Joint Legislative Education Oversight Committee and to the Joint Legislative Oversight Committee on Health and Human Services by January 15, 2015.

**SECTION 8.39.(i)** In accordance with G.S. 122C-450.1(d), as enacted by this act, the Department of Public Instruction shall transfer the funds provided for in this act for the purchase of educational services within PRTFs pursuant to this section to the Department of Health and Human Services, Division of Mental Health, Developmental Disabilities, and Substance Abuse Services (DMH/DD/SAS).

**SECTION 8.39.(j)** The Department of Public Instruction shall process all applications submitted by PRTFs on or before September 1, 2014, for approval as a Nonpublic Exceptional Children's Program no later than December 1, 2014.

**ALLOW CONTINUED TRANSFER OF FUNDS FROM SPECIAL EDUCATION TAX CREDITS**

**SECTION 8.40.** Section 6(b) of S.L. 2013-364 reads as rewritten:

**"SECTION 6.(b)** The State Controller shall transfer the fund balance from the Fund for Special Education and Related Services to Nontax Budget Code 19978 (Intrastate Transfers) or the appropriate budget code as determined by the State Controller to support General Fund appropriations for the 2013-2014 fiscal year appropriations."

## Requirements: General

Licensure with Department of Health Service Regulation

<http://www.ncdhhs.gov/dhsr/>

General Statute 122c: Mental Health, Developmental Disabilities, and Substance Abuse Act of 1985.

[http://www.ncleg.net/enactedlegislation/statutes/html/bychapter/chapter\\_122c.html](http://www.ncleg.net/enactedlegislation/statutes/html/bychapter/chapter_122c.html)

# Exceptional Children Division



**PUBLIC SCHOOLS OF NORTH CAROLINA**

State Board of Education | Department of Public Instruction

## Requirements: Educational Services

### Basic Educational Program

#### Department of Administration – Division of Non-Public Education

#### State of North Carolina Private Grade K-12 School Requirements

Each conventional private elementary/secondary school in North Carolina enrolling students of North Carolina compulsory attendance age (at least age 7 but not yet age 16) must in accordance with G.S. 115C- 547-562:

1. Report its name, address, and names of its chief administrator and owner(s) to the Division of Non-Public Education (DNPE). It is suggested that this action be taken 30-60 days before the school begins initial operation.
2. Meet the fire, safety and sanitation standards established by state and local authorities. All child care through grade 2 students must be housed on the ground floor. Prior to initial school occupancy, the local building inspector must inspect the building(s) and issue to the school a certificate of occupancy for school usage. Thereafter, he/she will need to inspect again only when structural changes are made to the building(s). In addition, before initially beginning classes and annually thereafter, have the local Fire Marshal and Health Department inspect the school facility. Allow up to possibly a month or more for the inspections to be completed. Keep original inspector-completed forms on file at the school.
3. Follow certain requirements to insure that the school buildings meet the applicable [asbestos regulations](#). To obtain information about these requirements, please contact:

Health Hazards Control Unit  
North Carolina DHHS/Public Health  
1912 Mail Service Center  
Raleigh, NC 27699-1912  
(919) 707-5950  
[www.epi.state.nc.us/epi/asbestos.html](http://www.epi.state.nc.us/epi/asbestos.html)

4. Operate for a school term of at least nine calendar months on a regular schedule excluding reasonable holidays and vacations. (DNPE strongly advises a school term of at least 180 school days; typical school days of at least 5 1/2 hours in length; and, typical class periods for grade 9-12 students of 50 minutes each.)
5. Keep accurate student attendance records on file at its office.
6. Maintain current and accurate disease immunization records on file at its office for each pupil enrolled. All pupils must be properly immunized with the required vaccine minimum dosages before entering kindergarten and grade 1. For information about dosages required and the immunization laws, contact:  
  
Immunization Branch  
North Carolina DHHS  
1917 Mail Service Center  
Raleigh, NC 27699-1917  
(919) 707-5550  
[www.immunizenc.org](http://www.immunizenc.org)
7. Administer to all students in grades 3, 6 and 9 each school year, a nationally standardized achievement test in the subject areas of English grammar, reading, spelling and math. Keep test results on file at the school for at least one calendar year for annual review by a DNPE representative. Also, see [Testing FAQs](#).

8. Administer to all grade 11 students each school year, a nationally standardized test which measures competencies in the verbal and quantitative areas. Keep test results on file at the school for at least one calendar year for annual review by a DNPE representative. Establish a minimum score on the test for high school graduation. Also, see [High School Graduation Requirement FAQs](#).
9. Issue Driving Eligibility Certificates to its age 15-17 students who are making progress toward graduation, exhibiting exemplary behavior and who request them in order to obtain their North Carolina Learner's Permit/Driver's License.
10. Provide industrial quality eye protective devices free of charge to students and teachers participating in shop or laboratory classes involving hazardous materials as mandated by G.S. 115C-166 and 168; and, require the students and teachers to wear the devices at all times when participating in such a program along with visitors to such shops and laboratories while such programs are in progress.
11. Notify DNPE upon [termination](#) of the school.
12. Satisfy child care requirements which may apply *IF* a nursery or pre-kindergarten program is also operated. Child care requirements may be obtained from:  
Division of Child Development  
North Carolina DHHS  
2201 Mail Service Center  
Raleigh, NC 27699-2201  
(919) 662-4499  
[www.ncchildcare.net](http://www.ncchildcare.net)
13. Also, satisfy foster care requirements which may apply *IF* the school exists primarily to meet the special needs including the education of "dependent, neglected, abused, abandoned, destitute, orphaned, undisciplined or delinquent children or other children, who, due to similar problems of behavior or family conditions, are living apart from their parents, relatives or guardians in family foster homes or residential care facilities." Foster care requirements may be obtained by contacting your county government social services office.

Source: [www.ncdpe.org](http://www.ncdpe.org)

## Special Education Records

### Legislation: Information Sharing

#### **"§ 122C-450.2. Information sharing.**

- (a) Within three business days of admitting a child into a PRTF, the admitting PRTF shall notify (i) the Department of Public Instruction and (ii) the local school administrative unit in which the child was last enrolled, if known. The PRTF shall request a copy of the child's most current Individualized Education Program and any other available documents related to the provision of appropriate educational services from the local school administrative unit. To the extent practicable, the local school administrative unit shall provide this information within three business days of receiving a request made pursuant to this subsection. Upon withdrawal or discharge of a child, the PRTF shall notify the Department of Public Instruction within three business days of such withdrawal or discharge.
- (b) The PRTF and the receiving local school administrative unit shall work together to develop a transition plan, including a revised Individualized Education Program, if necessary, to be implemented upon discharge of the child residing in a PRTF.

### Policy: Request for Special Education Records

#### **NC 1503-4.4(e) When IEPs Must Be in Effect**

IEPs for children who transfer public agencies in the same State.

- (1) If a child with a disability (who has a current IEP that was in effect in a previous LEA in the State) transfers to a new LEA in the State, and enrolls in a new school, the new LEA, in consultation with the parents, must provide FAPE to the child (including services comparable to those described in the child's IEP from the previous LEA), until the new LEA either --

- (i) Adopts the child's IEP from the previous LEA; or
- (ii) Develops, adopts, and implements a new IEP that meets the applicable requirements in NC 1503-4.1 through NC 1503-5.1.

- (2) A student who has been determined eligible in North Carolina using the response to scientific research-based intervention method continues to be a student with a disability and should not be reevaluated for the sole purpose of re-determining eligibility using the discrepancy method.

- (f) IEPs for children who transfer from another State. If a child with a disability (who has a current IEP that was in effect in a previous public agency in another State) transfers to an LEA in North Carolina, and enrolls in a new school, the new LEA (in consultation with the parents) must provide the child with FAPE (including services comparable to those described in the child's IEP from the previous public agency), until the new LEA --

- (1) Conducts an evaluation pursuant to NC 1503-2.5 through NC 1503-2.6 (if determined to be necessary by the new LEA); and
- (2) Develops, adopts, and implements a new IEP, if appropriate, that meets the applicable requirements in NC 1503-4.1 through NC 1503-5.1.

- (g) Transmittal of records. To facilitate the transition for a child described in paragraphs (e) and (f) of this section --

- (1) The new LEA in which the child enrolls must take reasonable steps to promptly obtain the child's records, including the IEP and supporting documents and any other records relating to the provision of special education or related services to the child, from the previous LEA or public agency in which the child was enrolled, pursuant to 34 CFR 99.31(a) (2); and
- (2) The previous LEA or public agency in which the child was enrolled must take reasonable steps to promptly respond to the request from the new public agency.

Figure A: Intake

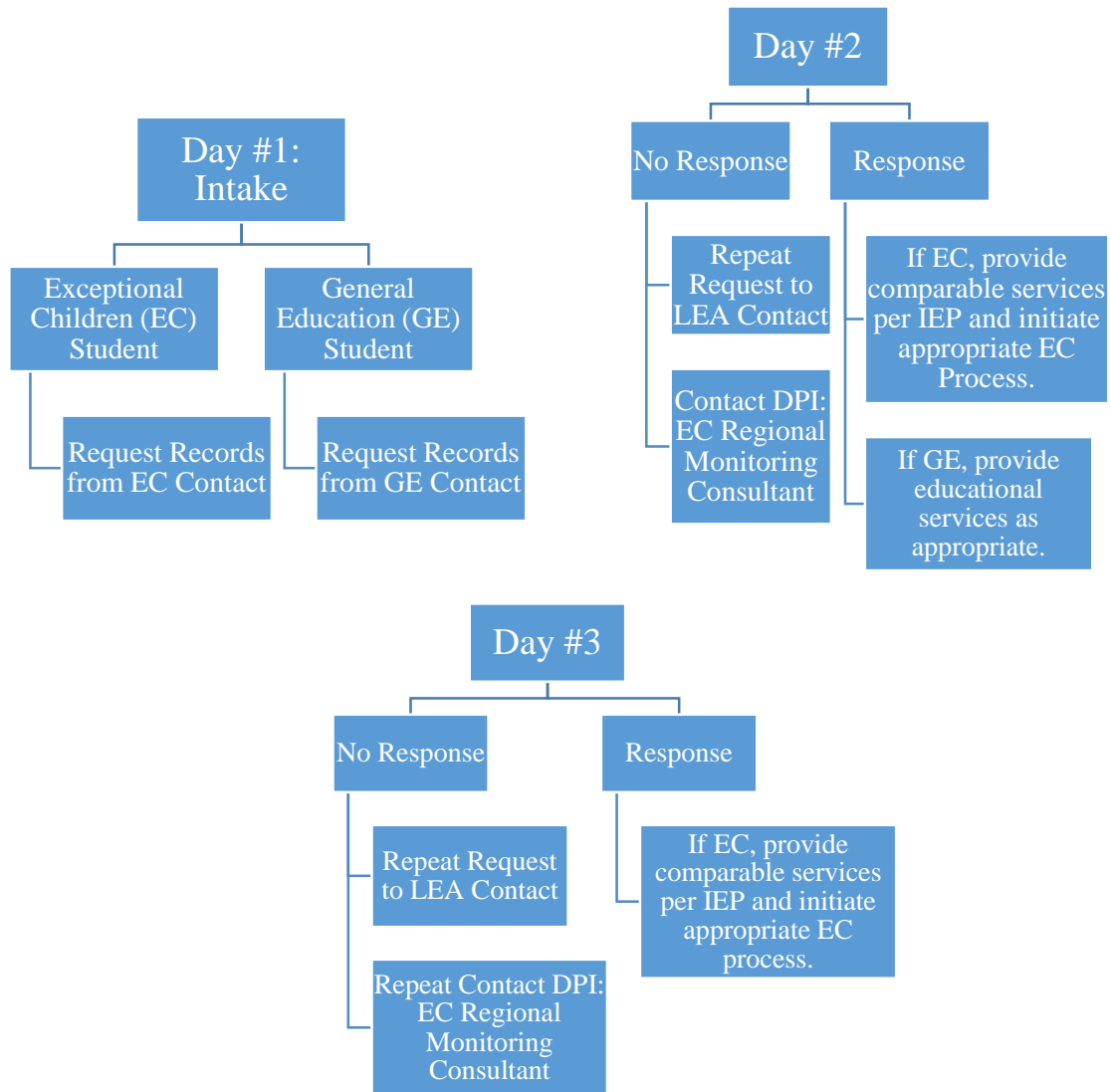
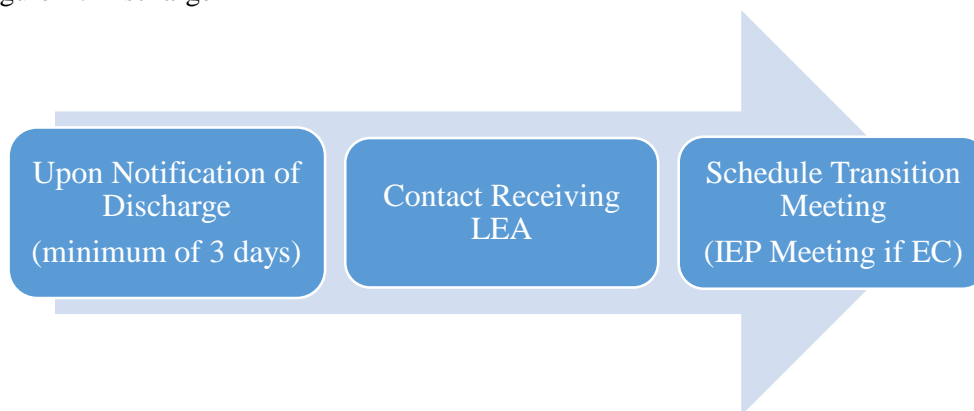


Figure B: Discharge



\*An updated list of LEA Contacts and EC Regional Monitoring Consultants will be maintained on the EC Division website. <http://ec.ncpublicschools.gov/>

## Sample Form: Confidential Request for Educational Records

### Confidential Request for Educational Records

*North Carolina General Statute 122C-450.2 states that upon admission of a child to a Psychiatric Residential Treatment Facility (PRTF), the facility must request copies of a child's most current Individualized Education Plan (IEP) and any other available documents related to the provision of appropriate educational services from the local school administrative unit that last served the child and that to the extent practicable the local administrative unit will provide this information within three (3) business days of receiving this request.*

*The purpose of this request is to obtain educational records to ensure the delivery of educational services while the student resides in a Psychiatric Residential Treatment Facility (PRTF).*

To: (LEA Contact)

Date: \_\_\_\_\_

From: (PRTF)

Date of Admission: \_\_\_\_\_

Student's Full Name: \_\_\_\_\_

Date of Birth: \_\_\_\_\_

**Please submit the following educational records:**

Cumulative Record

Exceptional Children

Transcripts

Current IEP

State Mandated Test Data

Current Eligibility Report

Immunization Record

Most recent Reevaluation with evaluation reports

Section 504 Plan

FBA/BIP

I understand the purpose of the Confidential Request for Educational Records. I understand that I can provide or revoke consent for the release of my child's educational records, in writing, at any time. I also understand that all records are confidential and my consent for the release of my child's educational records expires one year after the date for which consent is provided.

☐ I give my consent for my child's educational records to be obtained from:

\_\_\_\_\_  
(Name LEA, School or Facility)

\_\_\_\_\_  
(Address)

\_\_\_\_\_  
(Telephone)

\_\_\_\_\_  
(Fax)

\_\_\_\_\_  
(Printed Parent/Guardian Name)

\_\_\_\_\_  
(Date)

\_\_\_\_\_  
(Parent/Guardian Signature)

☐ I DO NOT give my consent for the release of my child's educational records. I understand this may have an adverse effect on the educational services provided to my child while residing in PRTF.

\_\_\_\_\_  
(Printed Parent/Guardian Name)

\_\_\_\_\_  
(Date)

\_\_\_\_\_  
(Parent/Guardian Signature)



## Individualized Education Program (IEP)

### IEP Forms and Directions

<http://ec.ncpublicschools.gov/policies/forms/statewide-forms>

FORM NAME	DESCRIPTION
DEC/Prior Notice	Invitation to Conference-Parent
DEC/Prior Notice	Invitation to Conference-Student Over 18
DEC/Prior Notice	Invitation to Conference-Student Ages 14-17
Invitation/Request to Excuse/Prior Notice	Request to Excuse IEP Team Members
DEC 1/Prior Notice	Special Education Referral
DEC 1 (2a and 2b of 4)/Prior Notice	Preschool Referral Concerns
DEC 2/Prior Notice	Informed Consent for Evaluation - Reevaluation
DEC 3/Eligibility Determination	Summary of Evaluation Results – Eligibility Determination
Directions for Eligibility Worksheets	Use for ALL Areas of Eligibility AU - VI
AU Worksheet	Use for Autism
DB Worksheet	Use for Deaf-Blindness
DD Worksheet	Use for Developmental Delay
Deaf-HI Worksheet	Use for Deafness & Hearing Impairment
ID Worksheet	Use for Intellectual Disability
MU Worksheet	Use for Multiple Disabilities
OHI Worksheet	Use for Other Health Impairment
OI Worksheet	Use for Orthopedic Impairment
SED Worksheet	Use for Serious Emotional Disability
SLD Worksheet	Use for Specific Learning Disability
SI Worksheet	Use for Speech and/or Language Impairment
TBI Worksheet	Use for Traumatic Brain Injury
VI Worksheet	Use for Visual Impairment, including Blindness
DEC 4 IEP	Individualized Education Program (IEP)
DEC 4 IEP (6a of 10)	NCEXTEND 1 Testing Accommodations
DEC 4a Secondary Transition	Transition Component
DEC 4b Related Services	Related Services Support Plan
DEC 4 Worksheet 1 for Deaf and HI	Communications Plan Worksheet
DEC 4 Worksheet 2 ESY	Extended School Year Worksheet
DEC 5/Prior Notice	Prior Written Notice
DEC 5a/Prior Notice	Prior Written Notice for Discipline
DEC 6/Prior Notice	Informed Consent for Initial Provision of Services
DEC 7/Reevaluation	Complete when beginning the reevaluation process
Private School Services Plan	Use for Parentally Placed Private School Students
Manifestation Determination Worksheet	Use for Disciplinary Removals that constitute a Change in Placement
Consent to Invite Outside Agency	Parent & Student Form
Summary of Performance	

## Personnel Qualifications

### NC 1500-2.14 Highly Qualified Special Education Teacher

(a) Requirements for special education teachers teaching core academic subjects. For any public elementary or secondary school special education teacher teaching core academic subjects, the term highly qualified has the meaning given the term in section 9101 of the ESEA and 34 CFR 200.56, except that the requirements for highly qualified also—

- (1) Include the requirements described in paragraph (b) of this section; and
- (2) Include the option for teachers to meet the requirements of section 9101 of the ESEA by meeting the requirements of paragraphs (c) and (d) of this section.

(b) Requirements for special education teachers.

(1) When used with respect to any public elementary school or secondary school special education teacher teaching in a State, highly qualified means that—

(i) The teacher has obtained full State certification as a special education teacher (including certification obtained through alternative routes to certification), or passed the State special education teacher licensing examination, and holds a license to teach in the State as a special education teacher;

(ii) The teacher has not had special education certification or licensure requirements waived on an emergency, temporary, or provisional basis; and

(iii) The teacher holds at least a bachelor's degree.

(2) A teacher will be considered to meet the standard in paragraph (b)(1)(i) of this section if that teacher is participating in an alternative route to certification program under which--

(i) The teacher--

(A) Receives high-quality professional development that is sustained, intensive, and classroom-focused in order to have a positive and lasting impact on classroom instruction, before and while teaching;

(B) Participates in a program of intensive supervision that consists of structured guidance and regular ongoing support for teachers or a teacher mentoring program;

(C) Assumes functions as a teacher only for a specified period of time not to exceed three years; and

(D) Demonstrates satisfactory progress toward full certification as prescribed by the State; and

(ii) The State ensures, through its certification and licensure process, that the provisions in paragraph (b)(2)(i) of this section are met.

(3) Any public elementary school or secondary school special education teacher teaching in the State, who is not teaching a core academic subject, is highly qualified if the teacher meets the requirements of paragraph (b)(1) or (b)(2) of this section.

### NC 1501-12.2 Personnel Qualifications

(a) General. The SEA has established and maintains qualifications to ensure that personnel necessary to carry out the purposes of this part are appropriately and adequately prepared and trained, including that those personnel have the content knowledge and skills to serve children with disabilities.

(b) Related services personnel and paraprofessionals. The qualifications under paragraph (a) of this section include qualifications for related services personnel and paraprofessionals that -

(1) Are consistent with any State-approved or State-recognized certification, licensing registration, or other comparable requirements that apply to the professional discipline in which those personnel are providing special education or related services; and

(2) Ensure that related services personnel who deliver services in their discipline or profession

(i) Meet the requirements of paragraph (b)(1) of this section; and

(ii) Have not had certification or licensure requirements waived on an emergency, temporary, or provisional basis; and

- (iii) Allow paraprofessionals and assistants who are appropriately trained and supervised, in accordance with State law, regulation, or written policy, in meeting the requirements of this part to be used to assist in the provision of special education and related services under these Policies to children with disabilities.

Qualifications for special education teachers. The qualifications described in paragraph (a) of this section must ensure that each person employed as a public school special education teacher who teaches in an elementary school, middle school, or secondary school is highly qualified as a special education teacher.

Qualifications for special education directors. An LEA must ensure that each person employed as a public school special education director meets the following requirements:

- (1) Holds master's level licensure in special education or a related area or master's level licensure in administration and/or supervision;
  - (i) An individual holding master's level licensure in special education or a related area must complete 9 semester hours of graduate level coursework in administration and/or supervision; and
  - (ii) An individual holding master's level licensure in administration and/or supervision must complete 9 semester hours of graduate level coursework in special education;
- (2) Has obtained a passing score on the appropriate Praxis examination; and
- (3) Has been recommended for licensure by an LEA.

Provisional licenses may be granted to individuals working toward licensure as a special education director.

- (c) LEAs must take measurable steps to recruit, hire, train, and retain highly qualified personnel to provide special education and related services to children with disabilities.
- (d) Rule of construction. Notwithstanding any other individual right of action that a parent or student may maintain, nothing in this part shall be construed to create a right of action on behalf of an individual student or a class of students for the failure of a particular SEA or LEA employee to be highly qualified, or prevent a parent from filing a complaint about staff qualifications with the SEA as provided for under these Policies.

## Resources: Personnel

### NC DPI Professional Educator Licensure

<http://www.ncpublicschools.org/licensure/>

### Exceptional Children: Licensure, Recruitment and Retention

Thomas Holahan, Consultant  
Thomas.Holahan@dpi.nc.gov

## Confidentiality

### NC 1505-2.1 Confidentiality

The Secretary takes appropriate action, in accordance with section 444 of the GEPA, to ensure the protection of the confidentiality of any personally identifiable data, information, and records collected or maintained by the Secretary and by the SEA and LEAs pursuant to Part B of the IDEA, and consistent with NC 1505-2.2 through NC 1505-2.18.

### NC 1505-2.2 Definitions

As used in NC 1505-2.2 through NC 1505-2.16--

(a) Destruction means physical destruction or removal of personal identifiers from information so that the information is no longer personally identifiable.

(b) Education records means the type of records covered under the definition of "education records" in 34 CFR part 99 (the regulations implementing the Family Educational Rights and Privacy Act of 1974, 20 U.S.C. 1232g (FERPA)).

(c) Participating agency means any agency or institution that collects, maintains, or uses personally identifiable information, or from which information is obtained, under Part B of the IDEA.

### NC 1505-2.4 Access Rights

(a) Each LEA must permit parents to inspect and review any education records relating to their children that are collected, maintained, or used by the LEA under these Policies. The LEA must comply with a request without unnecessary delay and before any meeting regarding an IEP, or any hearing pursuant to NC 1504-1.8 or NC 1504-2.1 through NC 1504-2.3, or resolution session pursuant to NC 1504-1.11 and in no case more than 45 days after the request has been made.

(b) The right to inspect and review education records under this section includes--

(1) The right to a response from the LEA to reasonable requests for explanations and interpretations of the records;

(2) The right to request that the LEA provide copies of the records containing the information if failure to provide those copies would effectively prevent the parent from exercising the right to inspect and review the records; and

(3) The right to have a representative of the parent inspect and review the records.

(c) An LEA may presume that the parent has authority to inspect and review records relating to his or her child unless the LEA has been advised that the parent does not have the authority under applicable State law governing such matters as guardianship, separation, and divorce.

### NC 1505-2.5 Record of Access

Each LEA must keep a record of parties obtaining access to education records collected, maintained, or used under Part B of the IDEA (except access by parents and authorized employees of the LEA), *Policies Governing Services for Children with Disabilities July 2014*

NC 1505-Monitoring 115 including the name of the party, the date access was given, and the purpose for which the party is authorized to use the records.

### NC 1505-2.13 Consent

(a) Parental consent must be obtained before personally identifiable information is disclosed to parties, other than officials of participating agencies in accordance with paragraph (b)(1) of this section, unless the information is contained in educational records, and the disclosure is authorized without parental consent under 34 part CFR 99.

(b) (1) Except as provided in paragraphs (b)(2) and (b)(3) of this section, parental consent is not required before personally identifiable information is released to officials of participating agencies for purposes of meeting a requirement of this part.

(2) Parental consent or the consent of the eligible child who has reached the age of majority

under State law, must be obtained before personally identifiable information is released to officials of participating agencies providing or paying for transition services in accordance with NC 1503-4.2(b)(3).

(3) If a child is enrolled or is going to enroll in a private school that is not located in the LEA of the parent's residence, parental consent must be obtained before any personally identifiable information about the child is released between the officials in the LEA where the private school is located and officials in the LEA of the parent's residence.

#### **NC 1505-2.14 Safeguards**

(a) Each LEA must protect the confidentiality of personally identifiable information at collection, storage, disclosure, and destruction stages.

(b) One official at each LEA must assume responsibility for ensuring the confidentiality of any personally identifiable information.

(c) All persons collecting or using personally identifiable information must receive training or instruction regarding the State's policies and procedures under NC 1501-4.3 and 34 CFR part 99.

(d) Each LEA must maintain, for public inspection, a current listing of the names and positions of those employees within the agency who may have access to personally identifiable information.

#### **NC 1505-2.15 Destruction of Information**

(a) The LEA must inform parents when personally identifiable information collected, maintained, or used under these Policies is no longer needed to provide educational services to the child.

(b) The information must be destroyed at the request of the parents. However, a permanent record of a student's name, address, and phone number, his or her grades, attendance record, classes attended, grade level completed, and year completed may be maintained without time limitation.

(c) The LEA shall inform parents that the personally identifiable information to be destroyed may be needed by the parent or the child for social security benefits, legal defense, or other purposes. At the parent's request, a copy of the record shall be provided.

#### **NC 1505-2.16 Children's Rights**

(a) The LEA must have in effect policies and procedures regarding the extent to which children are afforded rights of privacy similar to those afforded to parents, taking into consideration the age of the child and type or severity of disability.

(b) Under the regulations for FERPA at 34 CFR 99.5(a), the rights of parents regarding education records are transferred to the student at age 18.

(c) If the rights accorded to parents under Part B of the IDEA are transferred to a student who reaches the age of 18, consistent with NC 1504-1.21, the rights regarding educational records in NC 1505-2.4 through NC 1505-2.15 must also be transferred to the student. However, the LEA must provide any notice required under section 615 of the IDEA to the student and the parents.

#### **NC 1505-2.17 Enforcement**

The SEA has in effect the policies and procedures, including sanctions that the State uses, to ensure that its policies and procedures consistent with NC 155-2.2 through NC 1505-2.16 are followed and that the requirements of the IDEA and the regulations in this part are met.

#### **NC 1505-2.18 Department Use of Personally Identifiable Information**

If the Department or its authorized representatives collect any personally identifiable information regarding children with disabilities that is not subject to the Privacy Act of 1974, 5 U.S.C. 552a, the Secretary applies the requirements of 5 U.S.C. 552a(b)(1) and (b)(2), 552a(b)(4) through (b)(11); 552a(c) through 552a(e)(3)(B); 552a(e)(3)(D); 552a(e)(5) through (e)(10); and the regulations implementing those provisions in 34 CFR part 5b.

## Exceptional Children Process

### Policy: Child Find

#### **NC 1501-6.2 Child Find for Parentally-Placed Private School Children with Disabilities**

(a) General. The LEA where the private school is located must locate, identify, and evaluate all children with disabilities who are enrolled by their parents in the private, including religious, elementary and secondary schools, in accordance with paragraphs (b) through (e) of this section. This does not prohibit a parent from requesting an evaluation from the LEA in which the child resides.

(b) Child find design. The child find process must be designed to ensure--

- (1) The equitable participation of parentally-placed private school children; and
- (2) An accurate count of those children.

(c) Activities. In carrying out the requirements of this section, the LEA must undertake activities similar to the activities undertaken for the agency's public school children.

(d) Cost. The cost of carrying out the child find requirements in this section, including individual evaluations, may not be considered in determining if an LEA has met its obligation.

(e) Completion period. The child find process must be completed in a time period comparable to that for other students attending public schools in the LEA.

(f) Out-of-State children. Each LEA in which private, including religious, elementary and secondary schools are located, must in carrying out the child find requirements in this section, include parentally-placed private school children who reside in a state other than the state in which the private schools that they attend are located.

### Policy: Initial Evaluation

#### **NC 1500-2.11 Evaluation**

(a) General

Evaluation means procedures used in accordance with NC 1503-2 through NC 1503-3 to determine whether a child has a disability and the nature and extent of the special education and related services that the child needs.

A full and individualized evaluation of a child's needs must be conducted before any action is taken with respect to the initial placement of a student with a disability in a special education program. Eligibility of children must be determined by using multiple sources of data and must not be dependent upon single test scores. Evaluation procedures may include, but are not limited to, observations, interviews, progress monitoring data, behavior checklists, structured interactions, play assessment, adaptive and developmental scales, criterion-referenced and norm referenced instruments, clinical judgment, and tests of basic concepts or other techniques and procedures as deemed appropriate by the professional(s) conducting the evaluations. When eligibility for specific learning disability is being determined, evaluation data must include progress monitoring data.

Note: The determination of needed screenings and evaluations is based upon the unique needs of the student and not solely on the requirements for the suspected disability category.

## Process: Initial Referral (Child Find) and Initial Evaluation

### Initial Referral

When a public agency or parent suspects that a child may be a child with a disability, he/she shall provide in writing the reason for referral, addressing the specific presenting concerns and the child's current strengths and needs.

### Process:

1. Identify students who meet Child Find requirements, as appropriate.
  - Collect and use data (classroom, assessment, behavioral, attendance, etc.).
  - Document interventions and progress monitoring data.
2. Contact the LEA's PRTF Contact in the county where the facility is located for the student's initial referral (LEA Contact List).
3. Collaborate with the LEA to complete the following activities :
  - Determine pre-referral activities, as appropriate.
  - Complete the written referral (Special Education Referral -DEC 1).
  - Gather existing student data (classroom, assessment, behavioral, attendance, interventions, progress monitoring, etc.).
  - Submit the written referral and existing data to the LEA.
4. Schedule the student's IEP Team meeting for referral with the LEA Contact.
  - Coordinate meeting time and day with the IEP Team members.
  - Provide a written invitation to the parent/guardian (and student beginning at age 14) **7-10 days** before the meeting (Invitation(s) to Conference).
  - Provide a copy of the **Handbook on Parents' Rights** to the parent/guardian.
  - Document **two or more** invitations (note, phone call, etc.) to ensure that the parent/guardian is given the opportunity to participate in their child's IEP Team meeting.
5. Conduct the IEP Team meeting to determine **one** of the following on the Special Education Referral form (DEC 1):
  - No evaluation will be conducted based on the review of existing information by the IEP Team and the special education process stops.
    1. Document all proposed and/or refused decisions made by the IEP Team (Prior Written Notice - DEC 5).
  - Eligibility will be determined based on the existing evaluation data made available to the IEP Team through the referral process and no additional data will be requested.
    1. Document the evaluation and screening results (Summary of Eligibility Results Worksheet(s) – DEC 3).
    2. Determine student's eligibility (Eligibility Determination - DEC 3).
    3. Develop the student's IEP (Individualized Education Program - DEC 4).
    4. Document all proposed and/or refused decisions made by the IEP Team (Prior Written Notice – DEC 5).
    5. Obtain parent permission to provide special education services (Informed Consent for Initial Provision of Services - DEC 6).
    6. Implement the goals and services as written on the student's IEP in the educational setting of the PRTF.

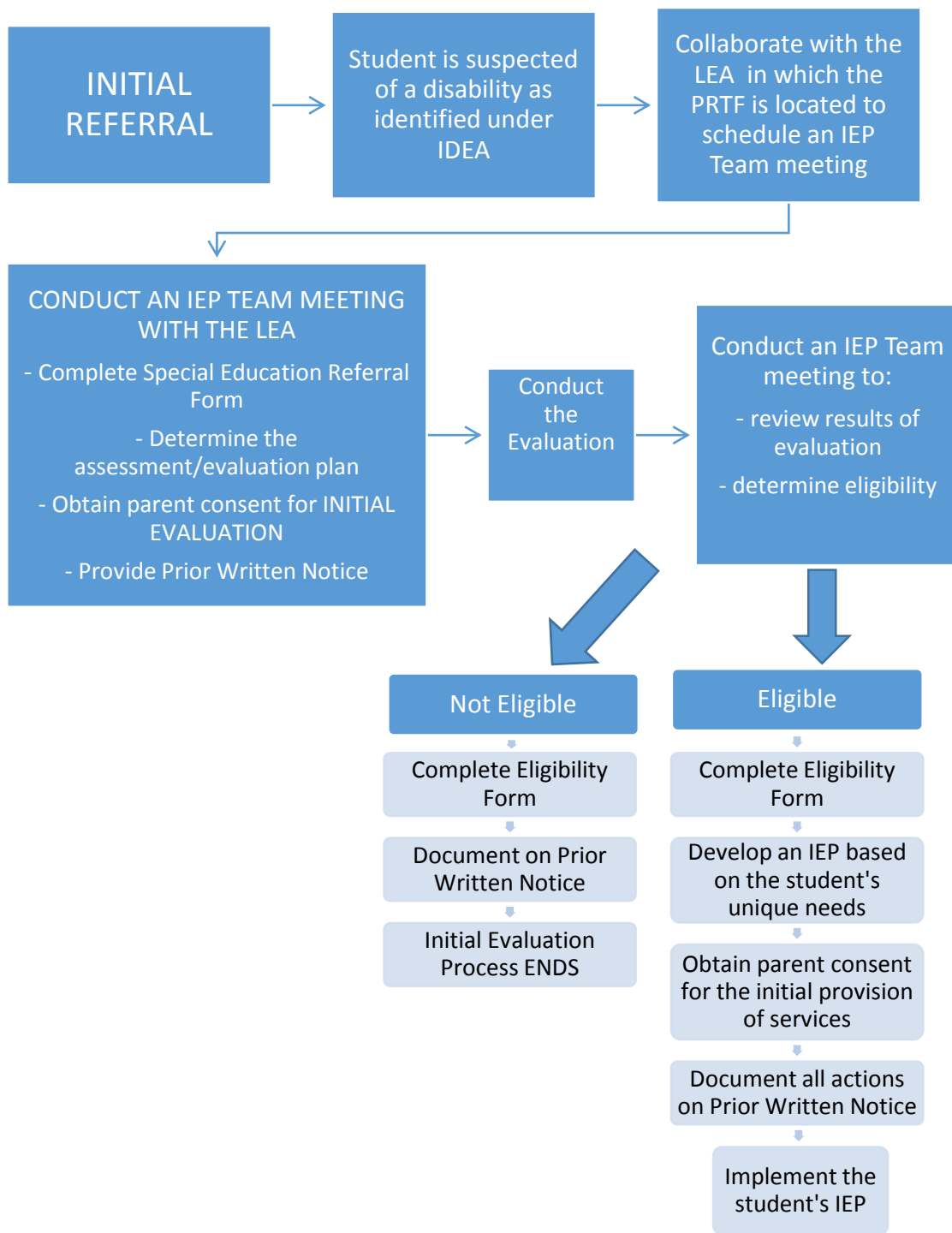
- Evaluation will be conducted to determine if the student is or is not eligible for special education and related services.
  1. Obtain parent permission to evaluate the student (Informed Consent for Evaluation/Reevaluation – DEC 2).
  2. Document all proposed and/or refused decisions made by the IEP Team (Prior Written Notice – DEC 5).
  3. Conduct the evaluations and/or screenings.
  4. Collect reports for each evaluation and/or screening.

### **Initial Evaluation**

The student's eligibility for **one or more** areas of disability and his/her educational need for special education services must be determined **within 90 days** from the date the referral was received by the LEA.

1. Collaborate with the LEA's PRTF Contact to schedule the IEP Team meeting to determine the student's eligibility upon receipt of the evaluation and screening reports requested on the Special Education Referral (DEC 1).
  - Coordinate meeting day and time with the IEP Team members.
  - Provide a written invitation to the parent/guardian (and student beginning at age 14) **7-10 days** before the meeting (Invitation to Conference).
  - Document **two or more** invitations (note, phone call, etc.) to ensure that the parent/guardian is given the opportunity to participate in their child's IEP Team meeting.
2. Conduct the student's IEP Team meeting to determine his/her eligibility.
  - If the student **is not** eligible-
    1. Document the evaluation and screening results (Summary of Eligibility Results Worksheet(s) -DEC 3).
    2. Determine the student's eligibility (Eligibility Determination -DEC 3).
    3. Document all proposed and/or refused decisions made by the IEP Team (Prior Written Notice – DEC 5).
  - If the student **is** eligible –
    1. Document all evaluations, screenings and data (Summary of Eligibility Results Worksheet(s) -DEC 3).
      1. Determine student's eligibility (Eligibility Determination -DEC 3).
      2. Develop the student's IEP (Individualized Education Program - DEC 4).
      3. Document all proposed and/or refused decisions made by the IEP Team (Prior Written Notice – DEC 5).
      4. Obtain parent permission to provide special education services (Informed Consent for Initial Provision of Services - DEC 6).
      5. Implement the goals and services as written on the student's IEP in the educational program at the PRTF.





## Policy: Reevaluation

### NC 1500-2.29 Reevaluation

Reevaluation is the process of examining existing data, and if determined necessary, gathering additional data in order to:

- Determine continuing eligibility for special education;
- Assure that the continuing individual needs of a student are identified; and
- Assure appropriate educational programming (review and/or revision of IEP).

### Process: Reevaluation

#### Reevaluation

Determine the student's continued eligibility for **one or more** areas of disability and his/her educational need for special education services **within the past 3 years** of the previous determination of eligibility.

#### Process:

1. Contact the LEA's PRTF Contact in the county where the facility is located for the student's reevaluation (LEA Contact List).
2. Collaborate with the LEA to complete the following activities :
  - Gather existing student data (classroom, assessment, behavioral, attendance, progress monitoring, etc.).
  - Schedule the student's IEP Team meeting.
    - Coordinate meeting day and time with the IEP Team members
    - Provide written invitation to the parent/guardian (and student beginning at age 14) **7-10 days** before the meeting (Invitation to Conference).
    - Provide a copy of the Handbook on Parents' Rights to the parent/guardian.
    - Document **two or more** invitations (note, phone call, etc.) to ensure that the parent/guardian is given the opportunity to participate in their child's IEP Team meeting.
3. Conduct the student's IEP Team meeting to determine **one** of the following on the Reevaluation form (DEC 7):
  - If eligibility is determined based on existing evaluation data and no additional data are being requested:
    - Document evaluation data, as appropriate (Summary of Eligibility Results Worksheet (s) -DEC 3 Category Worksheet).
    - Determine student's eligibility (Eligibility Determination - DEC 3).
    - Review/revise/develop the IEP (Individualized Education Program - DEC 4).
    - Document all proposed and/or refused decisions made by the IEP Team (Prior Written Notice – DEC 5).
    - Implement the goals and services as written on the student's IEP in the educational program at the PRTF.

- If additional information is needed to determine if the student continues to be eligible for special education and related services:
  - Document what additional data is needed.
  - Obtain parent permission to evaluate the student (Informed Consent for Evaluation/Reevaluation - DEC 2)
  - Conduct evaluations, screenings, etc.
  - Collect reports for each evaluation or screening.
  
- 4. Collaborate with the LEA's PRTF Contact to schedule the IEP Team meeting upon receipt of the evaluation and screening reports requested on the Reevaluation form (DEC 7).
  - Coordinate meeting day and time with the IEP Team members.
  - Provide written invitation to the parent/guardian (and student beginning at age 14) **7-10 days** before the meeting (Invitation to Conference).
  - Document **two or more** invitations (note, phone call, etc.) to ensure that the parent/guardian is given the opportunity to participate in their child's IEP Team meeting.
  
- 5. Conduct the student's IEP Team meeting to determine his/her continued eligibility for special education services.
  - If the student **does not meet** the eligibility criteria:
    - Document the evaluation and screening results (Summary of Eligibility Results Worksheet(s) - DEC 3).
    - Determine student's eligibility (Eligibility Determination – DEC 3).
    - Document all proposed and/or refused decisions made by the IEP Team (Prior Written Notice – DEC 5).
  
  - If the student **continues to meet** the eligibility criteria:
    - Document all evaluations, screenings and data (Summary of Eligibility Results Worksheet(s) -DEC 3).
    - Determine student's eligibility (Eligibility Determination -DEC 3).
    - Develop the student's IEP (Individualized Education Program -DEC 4).
    - Document all proposed and/or refused decisions made by the IEP team (Prior Written Notice – DEC 5).
    - Implement the goals and services as written on the student's IEP in the educational program at the PRTF.

**NC 1500-2.17 Individualized Education Program Team**

Individualized Education Program Team or IEP Team means a group of individuals consisting of an LEA representative, parent of a child with a disability, regular education teacher of the child, special education teacher of the child, and others as described in NC 1503-4.2 that is responsible for developing, reviewing, or revising an IEP for a child with a disability.

**NC 1501-2.10 Individualized Education Program (IEP)**

The LEA must ensure that an IEP, or an IFSP that meets the requirements of section 636(d) of the IDEA, is developed, reviewed, and revised for each child with a disability in accordance with NC 1503-4 through NC 1503-5.1.

**NC 1503-4 Individualized Education Programs**

**NC 1503-4.1 Definition of individualized Education Program**

(a) General. As used in this part, the term individualized education program or IEP means a written statement for each child with a disability that is developed, reviewed, and revised in a meeting in accordance with NC 1503-4.1 through NC 1503-5.1, and that must include--

(1) A statement of the child's present levels of academic achievement and functional performance, including--

(i) How the child's disability affects the child's involvement and progress in the general education curriculum (i.e., the same curriculum as for nondisabled children); or

(ii) For preschool children, as appropriate, how the disability affects the child's participation in appropriate activities;

(2) (i) A statement of measurable annual goals, including academic and functional goals designed to -

(A) Meet the child's needs that result from the child's disability to enable the child to be involved in and make progress in the general education curriculum; and

(B) Meet each of the child's other educational needs that result from the child's disability.

(ii) For children with disabilities who take alternate assessments aligned to alternate achievement standards, a description of benchmarks or short-term objectives.

(3) A description of—

(i) How the child's progress toward meeting the annual goals described in paragraph (2) of this section will be measured; and

(ii) That periodic reports on the progress the child is making toward meeting the annual goals will be provided concurrent with the issuance of report cards;

(4) A statement of the special education and related services and supplementary aids and services, based on peer-reviewed research to the extent practicable, to be provided to the child, or on behalf of the child, and a statement of the program modifications or supports for school personnel that will be provided to enable the child—

(i) To advance appropriately toward attaining the annual goals;

(ii) To be involved in and make progress in the general education curriculum in accordance with paragraph (a)(1) of this section, and to participate in extracurricular and other nonacademic activities; and

(iii) To be educated and participate with other children with disabilities and nondisabled children in the activities described in this section;

(5) An explanation of the extent, if any, to which the child will not participate with nondisabled children in the regular class and in the activities described in paragraph (a)(4) of this section;

(6) (i) A statement of any individual appropriate accommodations that are necessary to measure the academic achievement and functional performance of the child on State and districtwide assessments consistent with section 612(a)(16) of the IDEA; and

(ii) If the IEP Team determines that the child must take an alternate assessment instead of a

particular regular State or districtwide assessment of student achievement, a statement of why--

(A) The child cannot participate in the regular assessment; and

(B) The particular alternate assessment selected is appropriate for the child; and

(7) The projected date for the beginning of the services and modifications described in paragraph (a)(4) of this section, and the anticipated frequency, location, and duration of those services and modifications.

(b) Transition services.

(1) Beginning not later than the first IEP to be in effect when the child turns 14, or younger if determined appropriate by the IEP Team, and updated annually thereafter, the IEP must include a statement of initial transition components including the child's needs, preferences and interests, and course(s) of study (such as advanced placement classes or a vocational education program).

(2) Beginning not later than the first IEP to be in effect when the child turns 16, or younger if determined appropriate by the IEP Team, and updated annually, thereafter, the IEP must include --

(i) Appropriate measurable postsecondary goals based upon age appropriate transition assessments related to training, education, employment, and, where appropriate, independent living skills; and

(ii) The transition services needed to assist the child in reaching those goals, including if appropriate, a statement of interagency responsibilities or any needed linkages.

(c) Transfer of rights at age of majority. Beginning not later than one year before the child reaches the age of majority, which under State law is 18, the IEP must include a statement that the child and their parent have been informed of the rights under Part B of the IDEA, that will transfer to the child upon reaching age 18.

(d) Construction. Nothing in this section shall be construed to require the IEP Team to include information under one component of a child's IEP that is already contained under another component of the child's IEP.

#### **NC 1503-4.2 IEP Team**

(a) General. The LEA must ensure that the IEP Team for each child with a disability includes--

(1) The parent(s) of the child;

(2) Not less than one regular education teacher of the child (if the child is, or may be, participating in the regular education environment);

(3) Not less than one special education teacher of the child, or where appropriate, not less than one special education provider of the child;

(4) A representative of the LEA who -

(i) Is qualified to provide, or supervise the provision of, specially designed instruction to meet the unique needs of children with disabilities;

(ii) Is knowledgeable about the general education curriculum; and

(iii) Is knowledgeable about the availability of resources of the public agency.

(5) An individual who can interpret the instructional implications of evaluation results, who may be a member of the team described in paragraphs (a)(2) through (a)(6) of this section:

(6) At the discretion of the parent(s) or the LEA, other individuals who have knowledge or special expertise regarding the child, including related services personnel as appropriate; and

(7) Whenever appropriate, the child with a disability.

#### **NC 1503-5.1 Development, Review, and Revision of IEP**

(a) Development of IEP.

(1) General. In developing each child's IEP, the IEP Team must consider--

(i) The strengths of the child;

(ii) The concerns of the parents for enhancing the education of their child;

(iii) The results of the initial or most recent evaluation of the child; and

(iv) The academic, developmental, and functional needs of the child.

(2) Consideration of special factors. The IEP Team must--

- (i) In the case of a child whose behavior impedes the child's learning or that of others, consider the use of positive behavioral interventions and supports, and other strategies, to address that behavior;
  - (ii) In the case of a child with limited English proficiency, consider the language needs of the child as those needs relate to the child's IEP;
  - (iii) In the case of a child who is blind or visually impaired, provide for instruction in Braille and the use of Braille unless the IEP Team determines, after an evaluation of the child's reading and writing skills, needs, and appropriate reading and writing media (including an evaluation of the child's future needs for instruction in Braille or the use of Braille), that instruction in Braille or the use of Braille is not appropriate for the child;
  - (iv) Consider the communication needs of the child, and in the case of a child who is deaf or hard of hearing, consider the child's language and communication needs, opportunities for direct communications with peers and professional personnel in the child's language and communication mode, academic level, and full range of needs, including opportunities for direct instruction in the child's language and communication mode; and
  - (v) Consider whether the child needs assistive technology devices and/or services.
- (3) Requirement with respect to regular education teacher. A regular education teacher of a child with a disability, as a member of the IEP Team, must, to the extent appropriate, participate in the development of the IEP of the child, including the determination of--
  - (i) Appropriate positive behavioral interventions and supports and other strategies for the child; and
  - (ii) Supplementary aids and services, program modifications, and support for school personnel consistent with NC 1503-4.1(a)(4).
- (4) Agreement.
  - (i) In making changes to a child's IEP after the annual IEP Team meeting for a school year, the parent of a child with a disability and the public agency may agree not to convene an IEP Team meeting for the purposes of making those changes, and instead may develop a written document to amend or modify the child's current IEP.
  - (ii) If changes are made to the child's IEP in accordance with paragraph (a)(4)(i) of this section, the public agency must ensure that the child's IEP Team is informed of those changes.
- (5) Consolidation of IEP Team meetings. To the extent possible, the public agency must encourage the consolidation of reevaluation meetings for the child and other IEP Team meetings for the child.
- (6) Amendments. Changes to the IEP may be made either by the entire IEP Team at an IEP Team meeting or, as provided in paragraph (a)(4) of this section, by amending the IEP rather than by redrafting the entire IEP. A parent must be provided with a revised copy of the IEP with the amendments incorporated.
- (b) Review and revision of IEPs
  - (1) General. Each LEA must ensure that, subject to paragraphs (b)(2) and (b)(3) of this section, the IEP Team—
    - (i) Reviews the child's IEP periodically, but not less than annually, to determine whether the annual goals for the child are being achieved; and
    - (ii) Revises the IEP, as appropriate, to address--
      - (A) Any lack of expected progress toward the annual goals described in NC 1503- 4.1(a)(2), and in the general education curriculum, if appropriate;
      - (B) The results of any reevaluation conducted under NC 1503-2.4;
      - (C) Information about the child provided to, or by, the parents, as described in NC 1503-2.6(a)(2);
      - (D) The child's anticipated needs; or

(E) Other matters.

(2) Consideration of special factors. In conducting a review of the child's IEP, the IEP Team must consider the special factors described in paragraph (a)(2) of this section.

(3) Requirement with respect to regular education teacher. A regular education teacher of the child, as a member of the IEP Team, must, consistent with paragraph (a)(3) of this section, participate in the review and revision of the IEP of the child.

(c) Failure to meet transition objectives.

(1) Participating agency failure. If a participating agency, other than the public agency, fails to provide the transition services described in the IEP in accordance with NC 1503-4.1(b), the public agency must reconvene the IEP Team to identify alternative strategies to meet the transition objectives for the child set out in the IEP.

(2) Construction. Nothing in this part relieves any participating agency, including a State vocational rehabilitation agency, of the responsibility to provide or pay for any transition service that the agency would otherwise provide to children with disabilities who meet the eligibility criteria of that agency.

(d) Children with disabilities in adult prisons.

(1) Requirements that do not apply. The following requirements do not apply to children with disabilities who are convicted as adults under State law and incarcerated in adult prisons:

(i) The requirements contained in section 612(a)(16) of the IDEA and NC 1503-4.1(a)(6) (relating to participation of children with disabilities in general assessments).

(ii) The requirements in NC 1502-4.1(b) (relating to transition planning and transition services) do not apply with respect to the children whose eligibility under Part B of the IDEA will end, because of their age, before they will be eligible to be released from prison based on consideration of their sentence and eligibility for early release.

(2) Modifications of IEP or placement.

(i) Subject to paragraph (d)(2)(ii) of this section, the IEP Team of a child with a disability who is convicted as an adult under State law and incarcerated in an adult prison may modify the child's IEP or placement if the State has demonstrated a bona fide security or compelling penological interest that cannot otherwise be accommodated.

(ii) The requirements of NC 1503-4.1 (relating to IEPs), and NC 1501-2.10 (relating to LRE), do not apply with respect to the modifications described in paragraph (d)(2)(i) of this section.

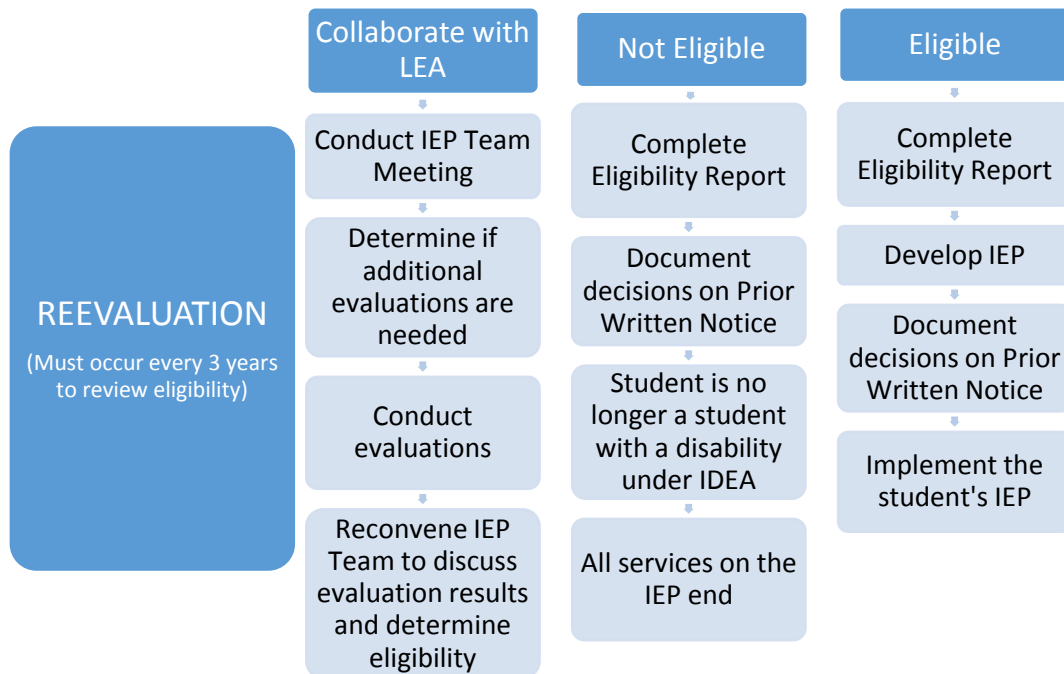
## Process: Individual Education Program (IEP) Review

The student's IEP is reviewed **within 365 days** from the previous IEP to determine:

- Whether the annual goals for the child are being achieved.
- Any lack of expected progress toward the annual goals and in the general education curriculum, if appropriate;
- The results of any reevaluation conducted;
- Information about the child provided to or by the parents,
- The child's anticipated needs; or
- Other matters

1. Prepare for the review of the student's current IEP by collecting data (academic, assessment, behavioral, attendance, discipline, progress monitoring, etc.) and collaborating with the student, his/her parents and teachers, etc.

2. Schedule the student's IEP Team meeting.
  - Coordinate meeting day and time with the IEP Team members.
  - Provide written invitation to the parent/guardian (and student beginning at age 14) **7-10 days** before the meeting (Invitation(s) to Conference).
  - Document **two or more** invitations (note, phone call, etc.) to ensure that the parent is given the opportunity to participate in their child's IEP Team meeting.
  
3. Conduct the student's IEP Team meeting.
  - Review the student's current IEP and data.
  - Develop the student's IEP (Individualized Education Program -DEC 4).
  - Document all proposed and/or refused decisions made by the IEP team (Prior Written Notice – DEC 5).
  - Implement the goals and services as written on the student's IEP in the educational program at the PRTF.

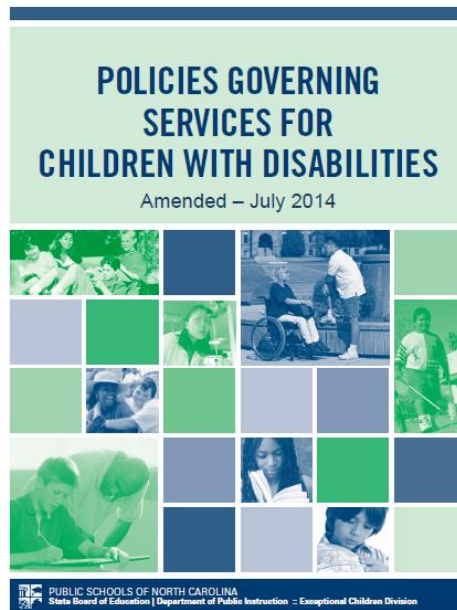




## Federal and State Regulations

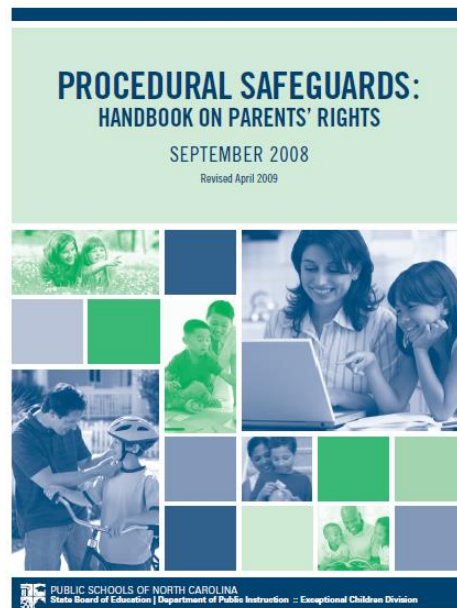
### NC Policies Governing Services for Children with Disabilities

<http://ec.ncpublicschools.gov/policies/nc-policies-governing-services-for-children-with-disabilities/policies-children-disabilities.pdf>



### Procedural Safeguards: Handbook on Parent's Rights

<http://ec.ncpublicschools.gov/parent-resources/ecparenthandbook.pdf>



### Publication Sales

Please call 1.800.663.1250 (inside North Carolina) or 919.807.3470 (outside North Carolina), or email [publications@dpi.nc.gov](mailto:publications@dpi.nc.gov).

## Parental Rights

### NC 1503-4.3 Parent Participation

(a) Public agency responsibility--general. Each LEA must take steps to ensure that one or both of the parents of a child with a disability are present at each IEP Team meeting or are afforded the opportunity to participate, including--

(1) Notifying the parent(s) of the meeting early enough to ensure that they will have an opportunity to attend; and

(2) Scheduling the meeting at a mutually agreed on time and place.

(b) Other methods to ensure parent participation. If neither parent can attend an IEP Team meeting, the public agency must use other methods to ensure parent participation, including individual or conference telephone calls, consistent with NC 1503-5.4 (related to alternative means of meeting participation).

(c) Conducting an IEP meeting without a parent in attendance. A meeting may be conducted without a parent in attendance if the public agency is unable to convince the parent(s) that they should attend. In this case, the LEA must keep a record of its attempts to arrange a mutually agreed on time and place, such as--

(1) Detailed records of telephone calls made or attempted and the results of those calls;

(2) Copies of correspondence sent to the parent(s) and any responses received; and

(3) Detailed records of visits made to the parent's home or place of employment, if appropriate, and the results of those visits.

(e) Use of interpreters or other action, as appropriate. The LEA must take whatever action is necessary to ensure that the parent(s) understands the proceedings of the IEP Team meeting, including arranging for an interpreter for parents with deafness or whose native language is other than English.

(f) Parent copy of child's IEP. The LEA must give the parent(s) a copy of the child's IEP at no cost to the parent(s) within a reasonable timeframe following the IEP meeting.

## Surrogate Parents

### NC 1504-1.20 Surrogate Parents

(a) General. Each LEA must ensure that the rights of a child are protected when--

(1) No parent (as defined in NC 1500-2.24) can be identified;

(2) The LEA, after reasonable efforts, cannot locate a parent;

(3) The child is a ward of the State under the laws of North Carolina and the parents' rights have been terminated or their rights to make educational decisions have been terminated by the court; or

(4) The child is an unaccompanied homeless youth as defined in section 725(6) of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11434a(6)).

(b) Duties of public agency. The duties of an LEA under paragraph (a) of this section include the assignment of an individual to act as a surrogate for the parents. This must include a method--

(1) For determining whether a child needs a surrogate parent; and

(2) For assigning a surrogate parent to the child.

(c) Wards of the State. In the case of a child who is a ward of the State, the surrogate parent alternatively may be appointed by the judge overseeing the child's case, provided that the surrogate meets the requirements in paragraphs (d) and (e) of this section.

(d) Criteria for selection of surrogate parents. LEAs must ensure that a person selected as a surrogate parent--

(1) Is not an employee of the SEA, the LEA, or any other agency that is involved in the education or care of the child, such as the Department of Health and Human Services, a group

home, or a therapeutic foster parent;

(2) Has no personal or professional interest that conflicts with the interest of the child the surrogate parent represents; and

(3) Has knowledge and skills that ensure adequate representation of the child.

(e) Non-employee requirement; compensation. A person otherwise qualified to be a surrogate parent under paragraph (d) of this section is not an employee of the agency solely because he or she is paid by the agency to serve as a surrogate parent.

(f) Unaccompanied homeless youth. In the case of a child who is an unaccompanied homeless youth, appropriate staff of emergency shelters, transitional shelters, independent living programs, and street outreach programs may be appointed as temporary surrogates without regard to paragraph (d)(2)(i) of this section, until a surrogate can be appointed that meets all of the requirements of paragraph (d) of this section.

(g) Surrogate parent responsibilities. The surrogate parent may represent the child in all matters relating to--

(1) The identification, evaluation, and educational placement of the child; and

(2) The provision of FAPE to the child.

(h) SEA responsibility. The SEA must make reasonable efforts to ensure the assignment of a surrogate parent not more than 30 days after an LEA determines that the child needs a surrogate.

## Exceptional Children Program Approval



### **Exceptional Children Division** *Psychiatric Residential Treatment Facilities* *Exceptional Children Program Approval*

The steps outlined below will be used for the initial evaluation and approval of Exceptional Children Programs in North Carolina Psychiatric Treatment Facilities (PRTF).

1. **Non-Public School Recognition-** Each PRTF must be registered with and recognized as a non-public school by the Division of Non-Public Education before Exceptional Children (EC) Program Approval may be initiated. The Division of Non-Public Education must also be notified of the intent to participate in the EC Program Approval process (form attached).  
<http://www.ncdnpe.org/hhh104.aspx>
2. **Licensed by DHHS-** Each PRFT must be licensed by the Department of Health and Human Services.
3. **Intent for EC Program Approval-** The PRTF must complete *the Intent for EC Program Approval*. Upon receipt of *Intent for EC Program Approval*, the EC Division will provide the PRTF with:
  - PRTF EC Program Approval: *Pre-Requisites and Statement of Assurance*;
  - PRTF EC Program Approval: *Self-Assessment*;
  - PRTF EC Program Approval: *On-Site Review*;
  - *Procedural Safeguards: Handbook on Parents' Rights*; and
  - *Policies Governing Services for Children with Disabilities*.
4. **On-Site Visit-** Once the *Pre-Requisites and Statement of Assurance* and *Self-Assessment* have been completed, an On-Site Visit will be scheduled. After the on-site visit, the PRTF will receive written notification of its EC Program Approval status.
5. **EC Program Approval-** Once EC Program Approval has been awarded, the Self-Assessment must be submitted annually (July 1<sup>st</sup>) with current documentation to support the PRTF's standing as a Non-Public School. PRTFs are also required to provide current documentation regarding its licensure status with DHHS.
  - EC Program Approval is considered current and in good standing for three years from the date of issue pending annual program self-assessment reviews.
  - In conjunction with the annual self-assessment, an on-site visit will be conducted with a team every 3 years to evaluate the program.
6. Psychiatric Residential Treatment Facilities can be further described as:
  - Single Building Campus
  - Multi-Building Campus
  - Lock-Down Facility
  - Separate Facility
7. Federal funds may not be used for students with disabilities in unapproved programs. Funding shall be available from the date that the Exceptional Children Program is approved.

8. Upon request, Local Education Agencies (LEAs) and other State Education Agencies (SEAs) will be advised of the EC Program approval status of specific non-public schools or PRTFs.
9. **Federal and State Regulations-** Please be advised that EC Programs for students with disabilities are governed by Federal and State Regulations under the *Individuals with Disabilities Education Improvement Act of 2004* (IDEA). The *Procedural Safeguards: Handbook on Parent's Rights* contains a full explanation of the legal rights available under IDEA and the accompanying federal regulations. The *Policies Governing Services for Children with Disabilities* outline the federal regulations specific to North Carolina.

# ***Exceptional Children Program Approval***

## **Intent to Participate**

*The completion of this document indicates the intent to begin the EC Program Approval process with the Department of Public Instruction and the Exceptional Children Division.*

Official Name of Psychiatric Residential Treatment Facility:

\_\_\_\_\_

Check all that apply:

- ☐ Single Building Campus
- ☐ Multi-Building Campus
- ☐ Lock Down Facility
- ☐ Separate Facility
- ☐ Other: \_\_\_\_\_

Address: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_

Contact Person: \_\_\_\_\_

Title: \_\_\_\_\_

Email Address: \_\_\_\_\_

Phone Number: \_\_\_\_\_

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

Mail to: **Monitoring Liaison: PRTF**  
Department of Public Instruction  
Exceptional Children Division  
6356 Mail Service Center  
Raleigh, NC 27699-6356



**Exceptional Children Division**  
*Psychiatric Residential Treatment Facilities*  
**Exceptional Children Program Approval**

The following components are essential for approval of a Psychiatric Residential Treatment Facilities (PRTF) EC Program. These items must be in place before the review team conducts an on-site visit.

1. **Non-Public School Recognition-** Each PRTF must be registered with and recognized as a non-public school by the Division of Non-Public Education before Exceptional Children Program approval may be initiated.  
<http://www.ncdnpe.org/hhh104.aspx>
2. **Licensed by DHHS-** Each PRFT must be licensed by the Department of Health and Human Services.
3. **Basic Educational Program-** The basic educational program shall include course requirements and descriptions similar in format to materials previously contained in the stand course of study and it shall provide:
  - A core curriculum for all students that takes into account the special needs of children;
  - A set of competencies, by grade level, for each curriculum area;
  - A list of textbooks/ materials for use in providing the curriculum;
  - Standards for student performance and promotion based on the mastery of competencies, including standards for graduation, that take into account children with disabilities and, in particular, include appropriate modifications;
  - A program of remedial education;
  - Required support programs;
  - A definition of instructional day;
  - Class size recommendations and requirements;
  - Prescribed staffing allotment ratios; and
  - Facilities guidelines that reflect educational program appropriateness.[Public School Laws of North Carolina Annotated § 115C-81(b)]
4. **Instructional Time-** Adequate time for instruction is provided during the regular school day and throughout the school year. The annual school calendar provides for a minimum of 185 days and 1,025 hours of instruction covering at least nine calendar months.
5. **Instructional Environment-** The instructional environment is conducive to effective teacher-student interaction and the achievement of positive learning results.  
Sufficient space, furniture, and instructional equipment are provided in each instructional setting to permit positive learning results.  
Buildings are accessible and safe for students with disabilities.  
An adequate supply of appropriate instructional materials, textbooks, and supplementary resources is readily available.

**Individualized Education Program (IEP)** - Each student enrolled with a disability under IDEA has a current IEP before special education and related services are initiated and all required

components of the IEP are completed.

6. **Evaluation of Learning-** A regular, standardized procedure for evaluation of student learning is in use. Progress toward IEP goals is monitored, includes data collection and communicated regularly to parents.
7. **Personnel Qualifications-** Special education teachers and related services personnel are qualified to carry out assigned responsibilities.
  - Teachers hold a license to teach in the State as a special education teacher.
  - Related services are provided by personnel licensed or certified by the appropriate state agency or board.
  - Access to professional development to improve competencies and skills, encourage professional growth, and address student needs is routinely available.
8. **Physical Facilities-** A safe and healthy physical environments that meets the fire, safety, and sanitation standards established by state and local authorities. Buildings and equipment used by students are accessible.

### STATEMENT OF ASSURANCE

I affirm that the \_\_\_\_\_ meets the pre-requisites listed above except those in which a variance is noted and a written explanation is provided.

Signature: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Return one copy of this form along with the written explanations (if applicable).

Mail to: **Monitoring Liaison: PRTF**  
Department of Public Instruction  
Exceptional Children Division  
6356 Mail Service Center  
Raleigh, NC 27699-6356





Public Schools of North Carolina  
State Board of Education  
Department of Public Instruction

**Exceptional Children Division**  
*Psychiatric Residential Treatment Facilities*  
*Exceptional Children Program Approval*

# Self-Assessment

Official Name of Psychiatric Residential Treatment Facility:

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School Year:

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*For DPI: EC Use Only:*

☐ Initial Approval ☐ Annual Review ☐ On-Site Visit

**Exceptional Children Division**  
*Psychiatric Residential Treatment Facilities*  
*Exceptional Children Program Approval*

## Self-Assessment

Official Name of Psychiatric Residential Treatment Facility:

\_\_\_\_\_

Check all that apply:

- ☐ Single Building Campus
- ☐ Multi-Building Campus
- ☐ Lock Down Facility
- ☐ Separate Facility
- ☐ Other: \_\_\_\_\_

Address: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_

Contact Person: \_\_\_\_\_

Title: \_\_\_\_\_

Email Address: \_\_\_\_\_

Phone Number: \_\_\_\_\_

Grades Served: \_\_\_\_\_ Age Range: \_\_\_\_\_

Total Student Enrollment: \_\_\_\_\_ Capacity: \_\_\_\_\_

Total Exceptional Children Enrollment: \_\_\_\_\_

*(Complete the enclosed EC Program Student Roster for Non-Public Schools)*

Operating, Sponsoring or Licensing Organization:

Name: \_\_\_\_\_

Address: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_

Name of accreditation agency: \_\_\_\_\_

**Instructional Program:** *(Check appropriate sections for the school year approval is requested)*

School Year: _____	Beginning Date	Ending Date	Total Days	Length of School Day
Regular Program				
Summer Program				
Continuous (Year Round)				

Select a response for each area below. Items marked “Not Applicable (N/A)” must include an explanation.

Curriculum and Instruction	Yes	No	N/A
The school offers a structured curriculum of sequential instruction at appropriate levels, comparable to the standard course of study in public schools.			
The school has a written statement of its goals and objectives and evaluates its performance against them. <i>Submit with the self-assessment.</i>			
The school has an adequate supply of appropriate instructional materials, textbooks, equipment, and supplementary resources available.			
The teacher/pupil ration for exceptional children is compliant with the Policies and/or PRTF legislation.			
The school year complies with State standards regarding the number of days and hours within the instructional calendar.			
Training and resources are available to help general education classroom teachers serve students with disabilities.			
Training and resources are available to help special education teachers serve students with disabilities.			
All personnel providing direct educational services to students with disabilities have a copy of the student's current IEP.			

Explanation for items marked “Not-Applicable”.

[illegible]

<b>Student Records</b>	Yes	No	N/A
<b>CONFIDENTIALITY</b>			
A required access sheet, with signature, data and purpose is maintained within each EC folder.			
Complies with HIPPA/FERPA requirements.			
Maintains a written list of persons having access to confidential educational records.			
Procedures are in place to provide parents and eligible students the opportunity to inspect, review, and copy educational records.			
<b>INDIVIDUALIZED EDUCATION PLAN (IEP)</b>	Yes	No	N/A
All required personnel and parents are involved in planning and developing the IEP.			
Efforts to obtain parent participation in the development and subsequent reviews of the IEP are documented.			
Efforts to invite and obtain student participation in the development of the IEP when transition educational services are discussed and subsequent review of the IEP are documented.			
All students with disabilities enrolled by a public Local Education Agency have an IEP.			
All students with disabilities enrolled by a parent absent the Local Education Agency have an IEP.			
All required IEP components are included. <i>Enclose a copy of the IEP forms used.</i>			
Coordinates Child Find, Evaluations, Eligibility Determinations, IEP Developments and Reevaluations with the LEA in which the PRTF is located.			
The IEP is reviewed/revised by appropriate staff, parents, and students (when transition is discussed) and placement decisions are made annually.			
<b>FEDERAL AND STATE REGULATIONS</b>	Yes	No	N/A
A current edition of <i>Policies Governing Services for Children with Disabilities</i> is on file.			
A current edition of the <i>Procedural Safeguards: Handbook on Parents' Rights</i> is distributed to parents each school year to inform them of procedural safeguards.			
<i>Policies Governing Services for Children with Disabilities</i> are followed when disciplining students with disabilities.			
<b>FACILITIES</b>	Yes	No	N/A
Programs are accessible to students with disabilities enrolled and are equipped to provide an appropriate education.			
<b>STUDENT PERFORMANCE AND OUTCOMES</b>	Yes	No	N/A
Progress toward IEP goals is communicated frequently to parents. <i>Attach a sample of progress report used.</i>			

Explanation for items marked "Not-Applicable".

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## Exceptional Children Program Educational Personnel

### Administrative Personnel

Name	Position/Title	Licensure Code(s)	Expiration Date

### Educational Personnel (General and Special Education Teachers)

Name	Position/Title	Licensure Code(s)	Expiration Date

### Related Services Personnel (Speech-Language Specialist, Physical Therapists, Occupational Therapists, School Psychologists, etc.)

Name	Position/Title	Licensure Code(s)	Expiration Date

# Exceptional Children Program Psychiatric Residential Treatment Facility

## Certification of School Officials

I certify that:

- ☐ Guidelines outlined in the current *Policies Governing Services for Children with Disabilities* have been followed.
- ☐ Verification is on file of the contact person for the education of the child when the parent has relinquished his/her rights and responsibilities for educational decisions.
- ☐ The information supplied in the *PRTF EC Program Approval: Self-Assessment* accurately reflects the EC Program on site.
- ☐ Licensure requirements for staff and with the Division of Non-Public Schools and Department of Health and Human Services are current and in good standing.

Signature: \_\_\_\_\_ Title: \_\_\_\_\_

Date: \_\_\_\_\_

Signature: \_\_\_\_\_ Title: \_\_\_\_\_

Date: \_\_\_\_\_

Signature: \_\_\_\_\_ Title: \_\_\_\_\_

Date: \_\_\_\_\_

Signature: \_\_\_\_\_ Title: \_\_\_\_\_

Date: \_\_\_\_\_



**Exceptional Children Division**  
*Private Psychiatric Residential Treatment Facilities*  
*Exceptional Children Program Approval: On-Site Activities*

The On-Site Review will occur upon request for initial approval and then at least once every three years. On-Site Reviews can also occur upon request or more often as deemed necessary. The evaluation team may consist of staff members from the North Carolina Department of Public Instruction, Exceptional Children Division, Local Education Agencies, the Division of Non-Public Schools and/or the Department of Health and Human Services.

The Educational Director should be available through-out the on-site visit to clarify information and/or answer questions for the evaluation team. A room should be made available for the team to review materials and information after the entrance interview and building visit.

The sequence of on-site events is usually as follows:

1. Entrance interview with the Education Director\*
2. Review the On-Site Evaluation Form and requested documentation
3. Information submitted with the EC Program Annual Self-Assessment Form
  - a. Documentation of approval/licensure from the Division of Non-Public Education and/or Department of Health and Human Services;
  - b. Current list of all exceptional children enrolled;
  - c. Written list of persons having access to confidential educational records;
  - d. Copies of teacher licensure
  - e. Copies of licensure for related services personnel; and
  - f. Documentation of individuals serving as parent when parental rights have been terminated.
4. Visit selected classrooms for program observations
5. Review Exceptional Children Program records
6. Exit interview with the Education Director\*
7. Discuss commendations/recommendations
8. Discuss corrective action (if applicable)

*\*The Education Director may invite other school staff to the entrance and exit conferences.*

# Department of Health and Human Services





## Requirements: General

### Clinical Coverage Policy 8D-1

NC Division of Medical Assistance  
Psychiatric Rehabilitation  
Treatment Facilities

Medicaid and Health Choice  
Clinical Coverage Policy No: 8-D-1  
Amended Date: August 1, 2014

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## 1.0 Description of the Procedure, Product, or Service

Psychiatric Residential Treatment Facilities (PRTFs) provide non-acute inpatient facility care for NC Medicaid (Medicaid) beneficiaries under 21 years of age, and NC Health Choice (NCHC) beneficiaries' ages 6 through 18 years of age who have a mental illness or a substance use disorder and need 24-hour supervision and specialized interventions.

## 2.0 Eligibility Requirements

### 2.1 Provisions

#### 2.1.1 General

(The term "General" found throughout this policy applies to all Medicaid and NCHC policies)

a. An eligible beneficiary shall be enrolled in either:

1. the NC Medicaid Program (Medicaid is NC Medicaid program, unless context clearly indicates otherwise); or
2. the NC Health Choice (NCHC is NC Health Choice program, unless context clearly indicates otherwise) Program on the date of service and shall meet the criteria in Section 3.0 of this policy.

b. Provider(s) shall verify each Medicaid or NCHC beneficiary's eligibility each time a service is rendered.

c. The Medicaid beneficiary may have service restrictions due to their eligibility category that would make them ineligible for this service.

d. Following is only one of the eligibility and other requirements for participation in the NCHC Program under GS 108A-70.21(a): Children must be between the ages of 6 through 18.

#### 2.1.2 Specific

(The term "Specific" found throughout this policy only applies to this policy)

##### a. Medicaid

PRTF services are available to Medicaid beneficiaries under 21 years of age. Continued treatment can be provided until the beneficiary's 22<sup>nd</sup> birthday when medically necessary

##### b. NCHC None Apply.

### 2.2 Special Provisions

#### 2.2.1 EPSDT Special Provision: Exception to Policy Limitations for a Medicaid Beneficiary under 21 Years of Age

a. 42 U.S.C. § 1396d(r) [1905(r) of the Social Security Act]

Early and Periodic Screening, Diagnostic, and Treatment (EPSDT) is a federal Medicaid requirement that requires the state Medicaid agency to cover services, products, or procedures for Medicaid beneficiary under 21 years of age if the service is medically necessary health care to correct or ameliorate a defect, physical or mental illness, or a condition [health problem] identified through a screening examination (includes any evaluation by a physician or other licensed practitioner).

This means EPSDT covers most of the medical or remedial care a child needs to improve or maintain his or her health in the best condition possible, compensate for a health problem,

prevent it from worsening, or prevent the development of additional health problems. Medically necessary services will be provided in the most economic mode, as long as the treatment made available is similarly efficacious to the service requested by the beneficiary's physician, therapist, or other licensed practitioner; the determination process does not delay the delivery of the needed service; and the determination does not limit the beneficiary's right to a free choice of providers.

EPSDT does not require the state Medicaid agency to provide any service, product or procedure:

1. that is unsafe, ineffective, or experimental or investigational.
2. that is not medical in nature or not generally recognized as an accepted method of medical practice or treatment.

Service limitations on scope, amount, duration, frequency, location of service, and other specific criteria described in clinical coverage policies may be exceeded or may not apply as long as the provider's documentation shows that the requested service is medically necessary "to correct or ameliorate a defect, physical or mental illness, or a condition" [health problem]; that is, provider documentation shows how the service, product, or procedure meets all EPSDT criteria, including to correct or improve or maintain the beneficiary's health in the best condition possible, compensate for a health problem, prevent it from worsening, or prevent the development of additional health problems.

#### EPSDT and Prior Approval Requirements

- a. If the service, product, or procedure requires prior approval, the fact that the beneficiary is under 21 years of age does NOT eliminate the requirement for prior approval.
- b. **IMPORTANT ADDITIONAL INFORMATION** about EPSDT and prior approval is found in the NCTracks Provider Claims and Billing Assistance Guide, and on the EPSDT provider page. The Web addresses are specified below.

NCTracks Provider Claims and Billing Assistance Guide:

<https://www.nctracks.nc.gov/content/public/providers/providermanuals.html>

EPSDT provider page: <http://www.ncdhhs.gov/dma/epsdt/>

#### 2.2.2 EPSDT does not apply to NCHC beneficiaries

#### 2.2.3 Health Choice Special Provision for a Health Choice Beneficiary age 6 through 18 years of age

The Division of Medical Assistance (DMA) shall deny the claim for coverage for an NCHC beneficiary who does not meet the criteria within Section 3.0 of this policy. Only services included under the NCHC State Plan and the DMA clinical coverage policies, service definitions, or billing codes are covered for an NCHC beneficiary.

EPSDT does not require the state Medicaid agency to provide any service, product, or procedure

- a. that is unsafe, ineffective, or experimental/investigational.
- b. that is not medical in nature or not generally recognized as an accepted method of medical practice or treatment.

Service limitations on scope, amount, duration, frequency, location of service, or other specific criteria described in clinical coverage policies may be exceeded or may not apply as long as the provider's documentation shows that the requested service is medically necessary "to correct or ameliorate a defect, physical or mental illness, or a condition" [health problem]; that is, provider documentation shows how the service, product, or procedure meets all EPSDT criteria, including

to correct or improve or maintain the recipient's health in the best condition possible, compensate for a health problem, prevent it from worsening, or prevent the development of additional health problems.

#### EPSDT and Prior Approval Requirements

- a. If the service, product, or procedure requires prior approval, the fact that the recipient is under 21 years of age does NOT eliminate the requirement for prior approval.
- b. **IMPORTANT ADDITIONAL INFORMATION** about EPSDT and prior approval is found in the Basic Medicaid and NC Health Choice Billing Guide, sections 2 and 6, and on the EPSDT provider page. The Web addresses are specified below.

Basic Medicaid and NC Health Choice Billing Guide:

<http://www.ncdhhs.gov/dma/basicmed/>

EPSDT provider page: <http://www.ncdhhs.gov/dma/epsdt/>

### 2.3 Health Choice Special Provision: Exceptions to Policy Limitations for Health

Choice Beneficiaries ages 6 through 18 years of age EPSDT does not apply to NCHC beneficiaries. If a NCHC recipient does not meet the clinical coverage criteria within Section 3.0 of the clinical coverage policy, the NCHC recipient shall be denied services. Only services included under the Health Choice State Plan and the DMA clinical coverage policies, service definitions, or billing codes shall be covered for NCHC beneficiaries.

### 3.0 When the Procedure, Product, or Service Is Covered

Note: Refer to Subsection 2.2.1 regarding EPSDT Exception to Policy Limitations for a Medicaid Beneficiary under 21 Years of Age.

#### 3.1 General Criteria Covered

Medicaid and NCHC shall cover the procedure, product, or service related to this policy when medically necessary, and:

- a. the procedure, product, or service is individualized, specific, and consistent with symptoms or confirmed diagnosis of the illness or injury under treatment, and not in excess of the beneficiary's needs;
- b. the procedure, product, or service can be safely furnished, and no equally effective and more conservative or less costly treatment is available statewide; and
- c. the procedure, product, or service is furnished in a manner not primarily intended for the convenience of the beneficiary, the beneficiary's caretaker, or the provider.

#### 3.2 Specific Criteria Covered

##### 3.2.1 Specific criteria covered by both Medicaid and NCHC

Medicaid and NCHC shall cover admission to Psychiatric Rehabilitation Treatment Facilities when the beneficiary meets all of the following criteria:

- a. The beneficiary demonstrates symptomatology consistent with a DSM-5, or any subsequent editions of this reference material, diagnosis which requires, and can reasonably be expected to respond to, therapeutic intervention.
- b. The beneficiary is experiencing emotional or behavioral problems in the home,

community or treatment setting and is not sufficiently stable either emotionally or behaviorally, to be treated outside of a highly structured 24-hour therapeutic environment.

- c. The beneficiary demonstrates a capacity to respond favorably to rehabilitative counseling and training in areas such as problem solving, life skills development, and medication compliance training.
- d. The beneficiary has a history of multiple hospitalizations or other treatment episodes or recent inpatient stay with a history of poor treatment adherence or outcome.
- e. Less restrictive or intensive levels of treatment have been tried and were unsuccessful, or are not appropriate to meet the individual's needs.
- f. The family situation and functioning levels are such that the beneficiary cannot currently remain in the home environment and receive community-based treatment.

#### 3.2.2 Continued Stay Criteria

All of the following criteria are necessary for continuing treatment at this level of care:

- a. The beneficiary's condition continues to meet admission criteria at this level of care.
- b. The beneficiary's treatment does not require a more intensive level of care, and no less intensive level of care would be appropriate.
- c. Treatment planning is individualized and appropriate to the beneficiary's changing condition with realistic and specific goals and objectives stated. Treatment planning shall include active family or other support systems involvement, along with social, occupational and interpersonal assessment unless contraindicated. The expected benefits from all relevant treatment modalities are documented. The treatment plan has been implemented and updated, with consideration of all applicable and appropriate treatment modalities.
- d. All services and treatment are carefully structured to achieve optimum results in the most time efficient manner possible consistent with sound clinical practice.
- e. If treatment progress is not evident, then there is documentation of treatment plan adjustments to address such lack of progress.
- f. Care is rendered in a clinically appropriate manner and focused on the beneficiary's behavioral and functional outcomes.
- g. An individualized discharge plan has been developed which includes specific realistic, objective and measurable discharge criteria and plans for appropriate follow-up care. A timeline for expected implementation and completion is in place but discharge criteria have not yet been met.
- h. Beneficiary is actively participating in treatment to the extent possible consistent with his/her condition, or there are active efforts being made that can reasonably be expected to lead to the beneficiary's engagement in treatment.
- i. Unless contraindicated, family, guardian, or custodian is actively involved in the treatment as required by the treatment plan, or there are active efforts being made and documented to involve them.
- j. When medically necessary, appropriate psychopharmacological intervention has been prescribed or evaluated.
- k. There is documented active discharge planning from the beginning of treatment.
- l. There is a documented active attempt at coordination of care with relevant outpatient providers when appropriate.

#### 3.2.3 Discharge Criteria

The following two criteria must both be met:

- a. The beneficiary can be safely treated at an alternative level of care.
- b. An individualized discharge plan with appropriate, realistic and timely follow-up

care is in place.

In addition to "a" and "b" above, one or more of the criteria in "c" through "g" must be met:

- c. The beneficiary's documented treatment plan goals and objectives have been substantially met or a safe, continuing care program can be arranged and deployed at an alternate level of care.
- d. The beneficiary no longer meets admission criteria, or meets criteria for a less or more intensive level of care.
- e. The beneficiary, or family member, guardian, or custodian are competent but non-participatory in treatment or in following the program rules and regulations. There is non-participation to such a degree that treatment at this level of care is rendered ineffective or unsafe, despite multiple, documented attempts to address non-participation issues.
- f. Consent for treatment is withdrawn, and it is determined that the beneficiary, parent, or guardian has the capacity to make an informed decision and does not meet criteria for an inpatient level of care.
- g. The beneficiary is not making progress toward treatment goals despite persistent efforts to engage him or her, and there is no reasonable expectation of progress at this level of care; nor is the level of care required to maintain the current level of function.

#### 3.2.4 Medicaid Additional Criteria Covered

None Apply.

#### 3.2.5 NCHC Additional Criteria Covered

None Apply.

### 4.0 When the Procedure, Product, or Service Is Not Covered

Note: Refer to Subsection 2.2.1 regarding EPSDT Exception to Policy Limitations for a Medicaid Beneficiary under 21 Years of Age.

#### 4.1 General Criteria Not Covered

Medicaid and NCHC shall not cover the procedure, product, or service related to this policy when:

- a. the beneficiary does not meet the eligibility requirements listed in Section 2.0;
- b. the beneficiary does not meet the criteria listed in Section 3.0;
- c. the procedure, product, or service duplicates another provider's procedure, product, or service; or
- d. the procedure, product, or service is experimental, investigational, or part of a clinical trial.

#### 4.2 Specific Criteria Not Covered

##### 4.2.1 Specific Criteria Not Covered by both Medicaid and NCHC

Medicaid and NCHC shall not cover PRTF services that are ordered by the court when medical necessity criteria are not met.

Medicaid and NCHC shall cover not cover PRTF when the primary issues are social or economic, such as placement issues.

##### 4.2.2 Medicaid Additional Criteria Not Covered

None Apply.

#### 4.2.3 NCHC Additional Criteria Not Covered

- a. In addition to the specific criteria not covered in Subsection 4.2.1 of this policy, NCHC shall not cover...
- b. NCGS § 108A-70.21(b) " Except as otherwise provided for eligibility, fees, deductibles, copayments, and other cost sharing charges, health benefits coverage provided to beneficiaries eligible under the Program shall be equivalent to coverage provided for dependents under North Carolina Medicaid Program except for the following:
  1. No services for long-term care.
  2. No nonemergency medical transportation.
  3. No EPSDT.
  4. Dental services shall be provided on a restricted basis in accordance with criteria adopted by the Department to implement this subsection." Note: Subsection 4.2.3(b) applies to NCHC only.

### 5.0 Requirements for and Limitations on Coverage

Note: Refer to Subsection 2.2.1 regarding EPSDT Exception to Policy Limitations for a Medicaid Beneficiary under 21 Years of Age.

#### 5.1 Prior Approval

Medicaid and NCHC shall require prior approval for Psychiatric Rehabilitation Treatment Facilities services. The provider shall obtain prior approval before rendering Psychiatric Rehabilitation Treatment Facilities services.

#### 5.2 Prior Approval Requirements

##### 5.2.1 General

The provider(s) shall submit to the Department of Health and Human Services (DHHS) Utilization Review Contractor the following:

- a. the prior approval request; and
- b. all health records and any other records that support the beneficiary has met the specific criteria in Subsection 3.2 of this policy.
- c. if the Medicaid beneficiary is under 21 years of age, information supporting that all EPSDT criteria are met and evidence-based literature supporting the request, if available

##### 5.2.2 Specific

None Apply

#### 5.3 Additional Limitations or Requirements

##### 5.3.1 Certification of Need

Federal regulations require a Certification of Need (CON) be completed on or prior to admission to a PRTF facility when the beneficiary is Medicaid or NCHC-eligible or Medicaid or NCHC is pending. The CON must:

- a. be done concurrently with the Medicaid application, when the application is done



during the stay. The independent utilization reviewer must be contacted immediately to begin the review process.

- b. be completed by an independent medical team, including a qualified physician.
- c. not be retroactive.
- d. meet all federal requirements.
- e. certify that:
  - 1. ambulatory care resources within the community are insufficient to meet the treatment needs of the beneficiary;
  - 2. the beneficiary requires services on an inpatient basis under the direction of a qualified physician; and
  - 3. services can reasonably be expected to improve the beneficiary condition or prevent regression.

The last dated signature on the CON form determines authorization for payment. A copy of the CON must be maintained in the beneficiary's medical record.

### 5.3.2 Therapeutic Leave

Each Medicaid and NCHC eligible beneficiary who is occupying a psychiatric residential treatment facility bed for which the North Carolina Medicaid or NCHC Program is then paying reimbursement shall be entitled to take up to 45 (non-consecutive) days of therapeutic leave in any calendar year from any such bed without the facility in which the bed is located suffering any loss of reimbursement during the period of leave. Therapeutic leave is also limited to no more than 15 days within one calendar quarter (three months).

- a. The taking of such leave must be for therapeutic purposes only, and must be agreed upon by the beneficiary's treatment team. The necessity for such leave and the expectations involved in such leave shall be documented in the beneficiary's treatment/habilitation plan and the therapeutic justification for each instance of such leave entered into the beneficiary's record maintained at the Residential Facility's site.
- b. Therapeutic leave shall be defined as the absence of a beneficiary from the residential facility overnight, with the expectation of return, to participate in a medically acceptable therapeutic or rehabilitative facility as agreed upon by the treatment team and documented on the treatment/habilitation plan.
- c. Facilities must reserve a therapeutically absent beneficiary's bed for him, and are prohibited from deriving any Medicaid or NCHC revenue for that beneficiary other than the reimbursement for that bed during the period of absence. Facilities shall be reimbursed at their full current Medicaid or NCHC bed rate for a bed reserved due to therapeutic leave. Facilities shall not be reimbursed for therapeutic leave days taken which exceed the legal limit.
- d. No more than five consecutive days may be taken without the approval of the beneficiary's treatment team.
- e. Facilities must keep a cumulative record of therapeutic leave days taken by each beneficiary for reference and audit purposes. In addition, beneficiaries on therapeutic leave must be noted as such on the facility's midnight census. Facilities shall bill Medicaid or NCHC for approved therapeutic leave days as regular residence days.
- f. The official record of therapeutic leave days taken for each beneficiary shall be maintained by the State or its agent.
- g. Therapeutic leave is not applicable in cases when the therapeutic leave is for the purpose of receiving inpatient services or any other Medicaid or NCHC covered service in the facility of current residence or in another facility. Therapeutic leave cannot be paid when Medicaid or NCHC is paying for any other 24-hour service.
- h. Medicaid and NCHC benefits do not include non-emergency medical transportation. Transportation from a facility to the site of therapeutic leave

is not considered to be an emergency; therefore, ambulance service for this purpose shall not be reimbursed.

## 6.0 Provider(s) Eligible to Bill for the Procedure, Product, or Service

To be eligible to bill for the procedure, product, or service related to this policy, the provider(s) shall:

- a. meet Medicaid or NCHC qualifications for participation;
- b. have a current and signed Department of Health and Human Services (DHHS) Provider Administrative Participation Agreement; and
- c. bill only for procedures, products, and services that are within the scope of their clinical practice, as defined by the appropriate licensing entity.

## 6.1 Provider Qualifications and Occupational Licensing Entity Regulations PRTF programs:

- a. Must be under the direction of a board-eligible or certified child psychiatrist or general psychiatrist with experience in the treatment of children.
- b. The Joint Commission on Accreditation of Healthcare Organizations, the Commission on Accreditation of Rehabilitation Facilities, or the Council on Accreditation must accredit the program as a residential treatment facility. Hospital licensure is required if the treatment is hospital-based.

## 6.2 Provider Certifications

None Apply.

## 7.0 Additional Requirements

Note: Refer to Subsection 2.2.1 regarding EPSDT Exception to Policy Limitations for a Medicaid Beneficiary under 21 Years of Age.

## 7.1 Compliance

Provider(s) shall comply with the following in effect at the time the service is rendered:

- a. All applicable agreements, federal, state and local laws and regulations including the Health Insurance Portability and Accountability Act (HIPAA) and record retention requirements; and
- b. All DMA's clinical (medical) coverage policies, guidelines, policies, provider manuals, implementation updates, and bulletins published by the Centers for Medicare and Medicaid Services (CMS), DHHS, DHHS division(s) or fiscal contractor(s).

## 7.2 Medicaid Requirements

Documentation of PRTF services must meet both the requirements of the accrediting body and Medicaid and NCHC guidelines. For Medicaid and NCHC, utilization reviews, including initial and continuing stay authorizations, are performed by an independent utilization review contractor. The utilization review contractor notifies the fiscal agent of the number of approved certified days.

## 7.3 North Carolina Health Choice Requirements

DMH/DD/SAS and DMA (DHHS team) jointly conduct annual audits of a sample of NCHC-funded mental health, developmental disabilities, and substance abuse services. The purpose of the audits is to ensure that services are provided to NCHC beneficiaries in accordance with federal and state regulations and that the documentation and billing practices of directly enrolled providers demonstrate accuracy and integrity. It is a quality control process used to ensure that medical necessity has been determined and to monitor the quality of the documentation of services provided. Local Management Entities (LMEs) may also conduct compliance reviews and monitor provider organizations under the authority of DMA. Any deficiencies identified in an audit are forwarded to DMA's Program Integrity Section, with the following information:

- a. A report of findings that summarizes the issues identified, time period covered by the review, and type of sampling; and
- b. Copies of supporting documentation, showing the specific billing errors identified in the audit and including the beneficiary's name, NCHC identification number, date(s) of service, procedure code(s), number of units billed in error, and reason for the error.

Refunds or requests for withholdings from future payments shall be sent to:

Office of Controller  
DMA Accounts Receivable  
2022 Mail Service Center  
Raleigh, N.C. 27699-2022

## 8.0 Policy Implementation/Revision Information

Original Effective Date: December 1, 2001

### Revision Information:

Date	Section Revised	Change
09/01/2005	Section 2.0	A special provision related to EPSDT was added.
12/01/2005	Section 2.3	The web address for DMA's EDPST policy instructions was added to this section.
01/01/2006	Section 3.1	The section was revised to clarify the criteria for admissions.
01/01/2006	Section 3.2	The section was revised to clarify the criteria for continuing treatment.
01/01/2006	Section 3.3	The section was revised to clarify the criteria for discharge.
05/01/2006	Attachment A	The level of care and initial and continuing authorization criteria for Level D services was deleted from the policy.
09/01/2006	Section 5.2	Requirements and limitations related to therapeutic leave were added to the policy, effective with CMS date of approval,
12/01/2006	Section 2.3	The special provision related to EPSDT was revised.
12/01/2006	Sections 3.0 and 4.0	A note regarding EPSDT was added to these sections.
05/01/2007	Sections 2 - 5	EPSDT information was revised to clarify exceptions to policy limitations for recipients under 21 years of age.
05/01/2007	Section 8.1	Added UB-04 as an accepted claims form.
07/01/2010	Throughout	Session Law 2009-451, Section 10.31(a) Transition of NC Health Choice Program administrative oversight from the State Health Plan to the Division of Medical Assistance (DMA) in the NC Department of Health and Human Services.
03/01/2012	Throughout	To be equivalent where applicable to NC DMA's Clinical Coverage Policy # 8D-1 under Session Law 2011-145, § 10.41.(b)
08/01/2012	Throughout	Technical changes to merge Medicaid and NCHC current coverage into one policy, but neither policy substantially changed.
8/1/2014	All Sections and Attachments	Updated: DSM-IV to DSM-5 language, 2013 CPT codes, as well as other technical, nonsubstantive, and clarifying changes including grammar, readability, typographical accuracy, and formatting.

Provider(s) shall comply with the, NCTracks Provider Claims and Billing Assistance Guide, Medicaid bulletins, fee schedules, DMA's clinics' coverage policies and any other relevant documents for specific coverage and reimbursement for Medicaid and NCHC:

A. Claim Type

Institutional (UB-04/837I transaction)

B. International Classification of Diseases, Ninth Revisions, Clinical Modification (ICD9-CM) Codes

Provider(s) shall report the ICD-9-CM diagnosis code(s) to the highest level of specificity that supports medical necessity. Provider(s) shall use the current ICD-9-CM edition and any subsequent editions in effect at the time of service. Provider(s) shall refer to the applicable edition for code description as it is no longer documented in the policy. Before October 1, 2015, the provider shall continue to use ICD-9 code sets to report medical diagnoses and procedural codes. Effective October 1, 2015 the provider shall use ICD-10 code sets for reporting.

C. Code(s)

Provider(s) shall select the most specific billing code that accurately and completely describes the procedure, product or service provided. Provider(s) shall use the Current Procedural Terminology (CPT), Health Care Procedure Coding System (HCPCS), ICD-9-CM procedure codes, and UB-04 Data Specifications Manual (for a complete listing of valid revenue codes) and any subsequent editions in effect at the time of service.

Provider(s) shall refer to the applicable edition for the code description as it is no longer documented in the policy.

Providers shall code service in form locator 42 with the revenue code (RCC) 911 billed as one unit per day. A beneficiary is permitted up to 45 (non-consecutive) days of therapeutic leave per calendar year from the facility without the facility losing reimbursement.

Unlisted Procedure or Service

CPT: The provider(s) shall refer to and comply with the Instructions for Use of the CPT Codebook, Unlisted Procedure or Service, and Special Report as documented in the current CPT in effect at the time of service.

HCPCS: The provider(s) shall refer to and comply with the Instructions for Use of HCPCS National Level II codes, Unlisted Procedure or Service and Special Report as documented in the current HCPCS edition in effect at the time of service

D. Modifiers

Provider(s) shall follow applicable modifier guidelines.

E. Billing Units

Provider(s) shall report the appropriate code(s) used which determines the billing unit(s).

Place of Service

Inpatient Hospital, Residential Treatment Facility

Co-payments

For Medicaid refer to Medicaid State Plan, Attachment 4.18-A, page 1, located at <http://www.ncdhhs.gov/dma/plan/sp.pdf>.

For NCHC refer to G.S. 108A-70.21(d), located at

[http://www.ncleg.net/EnactedLegislation/Statutes/HTML/BySection/Chapter\\_108](http://www.ncleg.net/EnactedLegislation/Statutes/HTML/BySection/Chapter_108)

F. Reimbursement

Providers shall bill their usual and customary charges.

For a schedule of rates, see: <http://www.ncdfihs.gov/dma/fee/>

For NCHC, providers must bill their usual and customary charges. After any applicable beneficiary co-payments, Health Choice reimbursement at 100% of the Medicaid rate is payment in full. Psychologists, addictionologists or other behavioral health practitioners may at times need to see a beneficiary who has been hospitalized under the care of an admitting psychiatrist. When it is necessary for the outpatient provider to see an inpatient to facilitate treatment or facilitate transition back to the outpatient setting, that provider may be reimbursed when prior authorization is obtained from DMA's Utilization Review vendor.

G. ICD-10-CM and Procedural Coding System(PCS) code(s), effective 10/01/2015

Provider(s) shall report the ICD-10 code set(s) to the highest level of specificity that supports medical necessity.

Provider(s) shall use the current ICD-10 edition and any subsequent editions in effect at the time of service.

Provider(s) shall refer to the applicable edition for code description as it is no longer documented in the policy.

For services provided on or after October 1, 2015, the provider shall bill the applicable ICD-10- CM diagnosis code(s) and procedure code(s).

## Contract Requirements with DHHS for Educational Services

### Scope of Work

#### **BACKGROUND**

There is much variability in the quality and quantity of educational services provided to children in Psychiatric Residential Treatment Facilities (PRTF). Standardization of and adherence to the minimal instructional requirements within PRTFs is needed to ensure the educational needs of those children needing regular and special educational services are met. These students are often at increased risk for poor academic, occupational and social outcomes. With improved educational instruction while in the PRTF, these students have increased chances to successfully transition back to their home school districts and ultimately have academic and occupational success.

#### **PURPOSE**

To ensure that regular and special educational services are provided to all students in North Carolina PRTFs as required under Part 4 of Article 6 of Chapter 122C of the General Statutes and that a child with a disability as defined under G.S. 115C-106.3(1) in a PRTF receives educational services and procedural safeguards as provided in Article 9 of this Chapter.

#### **PERFORMANCE REQUIREMENTS**

A. The PRTF contractor will establish a nonpublic school as part of licensure requirements and will maintain an approved nonpublic school for exceptional children as part of services provided to all eligible children. The school must meet and maintain all the requirements of a qualified nonpublic school under Article 39 of Chapter 115C of the General Statutes and of a nonpublic Exceptional Children's Program as defined in G.S. 122C-450(a)(2).

##### **Performance Standards:**

1. The PRTF must maintain licensure by the Department of Health and Human Services pursuant to Chapter 122C of the General Statutes. A condition of licensure includes having a facility based school within six months after the contractor's next annual renewal to obtain approval of its facility based school by the Department of Public Instruction as a nonpublic Exceptional Children's Program.
2. The PRTF must provide written documentation that the school is registered with the Department of Administration, Division of Nonpublic Schools under Article 39 of chapter 115C of the General Statutes.
3. The PRTF will maintain a valid license with the North Carolina Division of Health Service Regulation (DHSR).

B. The PRTF will ensure that all children admitted to the PRTF for psychiatric and behavioral health services also received educational services in accordance with federal and state law, if the child is eligible to enroll in public schools as provided in G.S. 115-C-366, including a student who has been suspended or expelled but otherwise meets the requirements of that statute. For a child with a disability, as defined in G.S. 115-106.3(1) all educational services shall meet applicable standards as required under Article 9 Chapter 115C of the General Statutes.

**Performance Standards:**

1. The PRTF must be approved by the Department of Public Instruction to provide educational services as promulgated by the rules adopted by the State Board of Education pursuant to the Administrative Procedures Act.
2. The PRTF will provide at least one teacher for every 14 students; The PRTF shall report exceptions to this requirement to DMH/DD/SAS to request additional funding for educational services as provided under G.S.122C-450.1(d) to the extent that funds are available and, if funds are not available to request a waiver from this requirement from the Department of Public Instruction.
3. The PRTF will employ at least one teacher with a NC Professional educator license in special education if there is a child residing in the PRTF who has a disability as defined in G.S.115-C-106.3(1).
4. The PRTF will provide educational services, including educational related assessment that includes the determination of need for special education and related services, and appropriate educational instruction to meet the individual needs of all students enrolled in the school.
5. Within three (3) business days of admitting a child the PRTF will notify the Department of Public Instruction and the local school administrative unit in which the child was last enrolled if known and will request available documents related to the provision of appropriate educational services for all children admitted to the PRTF from the child's current Local Education Agency (LEA) including Individual Education Plans (IEPs) when a child being admitted is known to have an IEP. There must be documentation of these requests.
6. The PRTF shall make contact and coordinate with the child's receiving LEA prior to discharge to ensure that the child receives on-going appropriate educational instruction following discharge from the PRTF and that the child receives credit for coursework completed. The PRTF will notify the Department of Public Instruction within three (3) business days of any withdrawal or discharge of a student. This contact and coordination must be documented.
7. The PRTF shall document deviations from educational and other programmatic requirements when it is medically necessary for a resident in accordance with G.S. 122-C62E.
8. The PRTF will notify the Department of Public Instruction of any difficulties in accessing student records or discharge planning with the child's LEA.
9. The PRTF will notify the Division of MH/DD/SAS of any classroom closures that impact the Census Report submitted during the budget allocation process.

**Reporting**

1. The PRTF will submit the required Department of Public Instruction Self-Assessment form annually to the Department of Public Instruction. The Department of Public Instruction will forward this information to the Division of MH/DD/SAS.
2. The PRTF will submit the annual Division of MH/DD/SAS Census Report to the Division of MH/DD/SAS.
3. Site visits by the Department of Public Instruction will occur during the initial approval process and every three years following the approval unless there are concerns regarding compliance with the contract that need to be addressed.
4. The PRTF will respond in a timely manner to information requests by DMH/DD/SAS and/or the Department of Public Instruction in order to meet the reporting requirements as outlined in section 122C-450.4 of the legislation. The reporting requirement includes the annual number of children by age residing in a PRTF both with and without and Individualized Education Program, the average length of stay of these children, the types of educational services including the number of hours each type of service has been provided, the costs and outcomes



of providing educational services and recommendations for improving the efficiency and effectiveness of delivering educational services to children in PRTFs.

5. The PRTF will provide child specific information upon request by the Department of Public Instruction and/or DMH/DD/SAS. Disclosure will be limited to that information necessary to establish, coordinate or maintain educational services.

## **PERFORMANCE MONITORING**

Monitoring activities will include an *FSR*, report, and/or on-site review to make sure activities and costs are allowed, reporting is adequate, eligibility is appropriate, and special tests and provisions are met as needed.

As noted in the contract document, *Terms and Conditions*, “If, through any cause, the Contractor shall fail to fulfill its obligations under this contract in a timely and proper manner, the Division shall have the right to terminate this contract by giving written notice to the Contractor and specifying the effective date thereof.”

## **REIMBURSEMENTS**

Funds to support educational services in PRTFs are dependent upon appropriation by the North Carolina General Assembly and to the extent that funds are available. Programs must comply with all audit and accounting policies applicable to other public and private entities receiving public funds. Funding is allocated to implement/enhance educational services to children in PRTF facilities and all costs should be directly related educational services. Disbursement of funds is contingent upon compliance with the Scope of Work and Performance Measures outlined in this contract.

The PRTF shall submit a monthly Financial Status Report Form (FSR) of expenditures to the Contract Administrator by the 10<sup>th</sup> day of the following month for services provided. The FSR must contain an original signature by the person or persons authorized by the contractor. A description of eligible expenditures is provided in the contract budget (see attached). Payment is contingent upon timely receipt of required reports, including an accurate FSR.

## General Contract Cover

### GENERAL CONTRACT COVER

This contract is hereby entered into by and between the North Carolina Department of Health and Human Services, Division of Mental Health, Developmental Disabilities and Substance Abuse Services, Community Policy Management (the "Division") and SBH Wilmington, LLC DBA Strategic Behavioral Center - Wilmington (the "Contractor") (referred to collectively as the "Parties").

#### 1. Contract Documents:

This contract consists of the following documents, which are incorporated herein by reference:

- a) This contract cover
- b) The General Terms and Conditions
- c) Scope of Work
- d) Performance Measures Chart
- e) The Line Item Budget
- f) State Grant Certification — No Overdue Tax Debts
- g) Conflict of Interest Verification (Annual)
- h) State Certification

#### 2. Incorporated By Reference:

The following documents are reference materials and are available by going to the following website, Open Window  
(<http://dhhsopenwindow.nc.gov/index.aspx?pid=clocReferenceDocuments>).

- a) Travel: Policies Governing Travel Related Expenses for Contractors
- b) Notice of Certain Reporting and Audit Requirements
- c) General Statutes G.S.143C6 Non-State Entities Receiving State Funds
- d) Subchapter 03M Uniform Administration of State Grants
- e) These documents constitute the entire agreement between the Parties and supersede all prior oral or written statements or agreements.

#### 3. Precedence Among Contract Documents:

In the event of a conflict between or among the terms of the Contract Documents, the terms in the Contract Document with the highest relative precedence shall prevail. The order of precedence shall be the order of documents as listed in the contract document section, with the first-listed document having the highest precedence and the last-listed document having the lowest precedence. If there are multiple contract amendments, the most recent amendment shall have the highest precedence and the oldest amendment shall have the lowest precedence.

#### 4. Effective Period:

This contract shall be effective on 12/1/2014 and shall terminate on 6/30/2015, with the option to extend, if mutually agreed upon, through a written amendment as provided for in the General Terms and Conditions.

#### 5. Contractor's Duties:

The Contractor shall provide the services as described in the scope of work and in accordance with the approved budget.

#### 6. Division's Duties:

The Division shall pay the Contractor in the Manner and in the amounts specified in

the contract documents. The total amount paid by the Division to the Contractor under this contract shall not exceed \$257,471. This amount consists of \$257,471 in State funds, \$0 in Local funds, \$0 in Other funds and \$0 in Federal funds. The total contract amount is \$257,471.

#### 7. Conflict of Interest Policy:

The Division has determined that this contract is a financial assistance contract. The Contractor shall file with the Division, a copy of the Contractor's policy addressing. Conflicts of interest that may arise involving the Contractor's management employees and the members of its board of directors or other governing body. The policy shall address situations in which any of these individuals may directly or indirectly benefit, except as the Contractor's employees or members of its board or other governing body, from the Contractor's disbursing of state funds and shall include actions to be taken by the Contractor or the individual, or both to avoid conflicts of interest and the appearance of impropriety. The policy shall be filed before the Division may disburse the grant funds. (N.C.G.S. 143C-6-23(b)(2007))

#### 8. Statement of No Overdue Tax Debts:

Contractor's sworn written statement pursuant to N.C.G.S. 143C-6-23(c), stating that the Contractor does not have any overdue tax debts, as defined by G.S. 105-243.1, at the federal, state, or local level. The Contractor acknowledges that the written statement must be filed before Division may disburse the grant funds.

#### 9. Grants:

The Contractor/Grantee has the responsibility to ensure that all sub-grantees, if any, provide all information necessary to permit the Contractor/Grantee to comply with the standards set forth in this contract.

#### 10. Reporting Requirements:

The Division has determined that this is a contract for financial assistance, and therefore is subject to the reporting requirements described on the Notice of Certain Reporting and Audit Requirements. Regulations and Reporting Requirements of N.C. General Statute 143C-6.23 can be found at [ncgrants.gov](http://ncgrants.gov).

#### 11. Payment Provisions:

Upon execution of this contract, the Contractor shall submit to the Division contract administrator, a monthly reimbursement request for services rendered the previous month by the 10th of each-month and, upon approval by the Division, receive payment within 30 days. The Division must make all payments to the Contractor by June 30. Therefore, the Contractor shall submit any adjusted reimbursement request for services, the final request for reimbursement and return any unearned funds, relating to this contract period, to the Division no later than June 10 of the current state fiscal year. The Division shall have no obligation for payment of reimbursement request received later than June 10. If this contract is terminated prior to the original end date, the Contractor is required to submit a final reimbursement report and to return any unearned funds to the Division within 30 days of the contract termination date or no later than June 10. All payments are contingent upon fund availability.

#### 12. Contract Administrators:

All notices permitted or required to be given by one Party to the other and all questions about the contract from one Party to the other shall be addressed and delivered to the other Party's contract administrator: The name, post office address, street address, telephone number, fax number, and email address of the Parties' respective initial contract administrators are set out below. Either Party may change the name, post office address, street address, telephone number, fax number, or email- address of its contract administrator by giving timely written notice to the other Party.

For the Division:

IF DELIVERED BY US POSTAL SERVICE	IF DELIVERED BY ANY OTHER MEANS
Mary Ellen Anderson, Project Coordinator Division of Mental Health, Disabilities & Substance Abuse Services, Community Policy Management 306 North Wilmington Street Raleigh, NC 27601 Telephone: (919) 715-2321 Email: mary.ellen.anderson@dhhs.nc.gov	Mary Ellen Anderson, Project Coordinator Division of Mental Health, Disabilities & Substance Abuse Services, Community Policy Management 306 North Wilmington Street Raleigh, NC 27601 Telephone: (919) 715-2321 Email: mary.ellen.anderson@dhhs.nc.gov

For the Contractor:

IF DELIVERED BY US POSTAL SERVICE	IF DELIVERED BY ANY OTHER MEANS

13. Supplementation of Expenditure of Public Funds:

The Contractor assures that funds received pursuant to this contract shall be used only to supplement, not to supplant, the total amount of federal, state and local public funds that the Contractor otherwise expends for contract services and related programs. Funds received under this contract shall be used to provide additional public funding for such services; the funds shall not be used to reduce the Contractor's total expenditure of other public funds for such services.

14. Disbursements:

As a condition of this contract, the Contractor acknowledges and agrees to make disbursements in accordance with the following requirements:

- a. Implement adequate internal controls over disbursements;
- b. Pre-audit all vouchers presented for payment to determine:
  - i. Validity and accuracy of payment
  - ii. Payment due date
  - iii. Adequacy of documentation supporting payment
  - iv. Legality of disbursement
- c. Assure adequate control of signature stamps/plates;
- d. Assure adequate control of negotiable instruments; and
- e. Implement procedures to insure that account balance is solvent and reconcile the account monthly.

15. Outsourcing to Other Countries:

The Contractor certifies that it has identified to the Division all jobs related to the contract that have been outsourced to other countries, if any. The Contractor further agrees that it will not outsource any such jobs during the term of this contract without providing notice to the Division.

16. Signature Warranty:

The undersigned represent and warrant that they are authorized to bind their principals to the terms of this agreement

Signatures follow on next page

## General Terms and Conditions

### GENERAL TERMS AND CONDITIONS

#### Relationships of the Parties

**Independent Contractor:** The Contractor is and shall be deemed to be an independent contractor in the performance of this contract and as such shall be wholly responsible for the work to be performed and for the supervision of its employees. The Contractor represents that it has, or shall secure at its own expense, all personnel required in performing the services under this agreement. Such employees shall not be employees of, or have any individual contractual relationship with, the Division.

**Subcontracting:** The Contractor shall not subcontract any of the work contemplated under this contract without prior written approval from the Division. Any approved subcontract shall be subject to all conditions of this contract. Only the subcontractors specified in the contract documents are to be considered approved upon award of the contract. The Division shall not be obligated to pay for any work performed by any unapproved subcontractor. The Contractor shall be responsible for the performance of all of its subcontractors.

**Assignment:** No assignment of the Contractor's obligations or the Contractor's right to receive payment hereunder shall be permitted. However, upon written request approved by the issuing purchasing authority, the State may:

- (a) Forward the Contractor's payment check(s) directly to any person or entity designated by the Contractor, or
- (b) Include any person or entity designated by Contractor as a joint payee on the Contractor's payment check(s).

In no event shall such approval and action obligate the State to anyone other than the Contractor and the Contractor shall remain responsible for fulfillment of all contract obligations.

**Beneficiaries:** Except as herein specifically provided otherwise, this contract shall inure to the benefit of and be binding upon the parties hereto and their respective successors. It is expressly understood and agreed that the enforcement of the terms and conditions of this contract, and all rights of action relating to such enforcement, shall be strictly reserved to the Division and the named Contractor. Nothing contained in this document shall give or allow any claim or right of action whatsoever by any other third person. It is the express intention of the Division and Contractor that any such person or entity, other than the Division or the Contractor, receiving services or benefits under this contract shall be deemed an incidental beneficiary only.

#### Indemnity and Insurance

**Indemnification:** The Contractor agrees to indemnify and hold harmless the Division, the State of North Carolina, and any of their officers, agents and employees, from any claims of third parties arising out of any act or omission of the Contractor in connection with the performance of this contract.

- (a) **Insurance:** During the term of the contract, the Contractor shall provide, at its sole cost and expense, commercial insurance of such types and with such terms and limits as may be reasonably associated with the contract. At a minimum, the Contractor shall provide and maintain the following coverage and limits:

- (1) **Worker's Compensation Insurance:** The Contractor shall provide and maintain worker's compensation insurance, as required by the laws of the states in which its employees work, covering all of the Contractor's employees who are engaged in any work under the contract.

- (2) **Employer's Liability Insurance:** The Contractor shall provide employer's liability insurance, with minimum limits of \$500,000.00, covering all of the Contractor's employees who are engaged in any work under the contract.

- (3) **Commercial General Liability Insurance:** The Contractor shall provide commercial general liability insurance on a comprehensive broad form on an occurrence basis with a minimum combined single limit of \$1,000,000.00 for each occurrence.

- (4) **Automobile Liability Insurance:** The Contractor shall provide automobile liability insurance with a combined single limit of \$500,000.00 for bodily injury and property damage; a limit of \$500,000.00 for uninsured/under insured motorist coverage; and a limit of \$2,000.00 for medical payment coverage. The Contractor shall provide this insurance for all automobiles that are:

- (A) owned by the Contractor and used in the performance of this contract;
- (B) hired by the Contractor and used in the performance of this contract; and
- (C) owned by Contractor's employees and used in performance of this contract ("non-owned vehicle insurance"). Non-owned vehicle insurance protects employers when employees use their personal vehicles for work purposes. Non-owned vehicle insurance supplements, but does not replace, the car-owner's liability insurance.

The Contractor is not required to provide and maintain automobile liability

insurance on any vehicle -- owned, hired, or non-owned -- unless the vehicle is used in the performance of this contract.

- (b) The insurance coverage minimums specified in subparagraph (a) are exclusive of defense costs.
- (c) The Contractor understands and agrees that the insurance coverage minimums specified in subparagraph (a) are not limits, or caps, on the Contractor's liability or obligations under this contract.
- (d) The Contractor may obtain a waiver of any one or more of the requirements in subparagraph (a) by demonstrating that it has insurance that provides protection that is equal to or greater than the coverage and limits specified in subparagraph (a). The Division shall be the sole judge of whether such a waiver should be granted.
- (e) The Contractor may obtain a waiver of any one or more of the requirements in paragraph (a) by demonstrating that it is self-insured and that its self-insurance provides protection that is equal to or greater than the coverage and limits specified in subparagraph (a). The Division shall be the sole judge of whether such a waiver should be granted.
- (f) Providing and maintaining the types and amounts of insurance or self-insurance specified in this paragraph is a material obligation of the Contractor and is of the essence of this contract.
- (g) The Contractor shall only obtain insurance from companies that are authorized to provide such coverage and that are authorized by the Commissioner of Insurance to do business in the State of North Carolina. All such insurance shall meet all laws of the State of North Carolina.
- (h) The Contractor shall comply at all times with all lawful terms and conditions of its insurance policies and all lawful requirements of its insurer.
- (i) The Contractor shall require its subcontractors to comply with the requirements of this paragraph.
- (j) The Contractor shall demonstrate its compliance with the requirements of this paragraph by submitting certificates of insurance, if requested, to the Division before the Contractor begins work under this contract.

#### **Default and Termination**

**Termination Without Cause:** The Division may terminate this contract without cause by giving 30 days written notice to the Contractor.

**Termination for Cause:** If, through any cause, the Contractor shall fail to fulfill its obligations under this contract in a timely and proper manner, the Division shall have the right to terminate this contract by giving written

notice to the Contractor and specifying the effective date thereof. In that event, all finished or unfinished deliverable items prepared by the Contractor under this contract shall, at the option of the Division, become its property and the Contractor shall be entitled to receive just and equitable compensation for any satisfactory work completed on such materials, minus any payment or compensation previously made. Notwithstanding the foregoing provision, the Contractor shall not be relieved of liability to the Division for damages sustained by the Division by virtue of the Contractor's breach of this agreement, and the Division may withhold any payment due the Contractor for the purpose of setoff until such time as the exact amount of damages due the Division from such breach can be determined. In case of default by the Contractor, without limiting any other remedies for breach available to it, the Division may procure the contract services from other sources and hold the Contractor responsible for any excess cost occasioned thereby. The filing of a petition for bankruptcy by the Contractor shall be an act of default under this contract.

**Waiver of Default:** Waiver by the Division of any default or breach in compliance with the terms of this contract by the Contractor shall not be deemed a waiver of any subsequent default or breach and shall not be construed to be modification of the terms of this contract unless stated to be such in writing; signed by an authorized representative of the Department and the Contractor and attached to the contract.

**Availability of Funds:** The parties to this contract agree and understand that the payment of the sums specified in this contract is dependent and contingent upon and subject to the appropriation, allocation, and availability of funds for this purpose to the Division.

**Force Majeure:** Neither party shall be deemed to be in default of its obligations hereunder if and so long as it is prevented from performing such obligations by any act of war, hostile foreign action, nuclear explosion, riot, strikes, civil insurrection, earthquake, hurricane, tornado, or other catastrophic natural event or act of God.

**Survival of Promises:** All promises, requirements, terms, conditions, provisions, representations, guarantees, and warranties contained herein shall survive the contract expiration or termination date unless specifically provided otherwise herein, or unless superseded by applicable Federal or State statutes of limitation.

#### **Intellectual Property Rights**

**Copyrights and Ownership of Deliverables:** All deliverable items produced pursuant to this contract are the exclusive property of the Division. The Contractor shall not assert a claim of copyright or other property interest in such deliverables.



**Federal Intellectual Property Bankruptcy Protection Act:** The Parties agree that the Division shall be entitled to all rights and benefits of the Federal Intellectual Property Bankruptcy Protection Act, Public Law 100-506, codified at 11 U.S.C. 365 (n) and any amendments thereto.

#### Compliance with Applicable Laws

**Compliance with Laws:** The Contractor shall comply with all laws, ordinances, codes, rules, regulations, and licensing requirements that are applicable to the conduct of its business, including those of federal, state, and local agencies having jurisdiction and/or authority.

**Equal Employment Opportunity:** The Contractor shall comply with all federal and State laws relating to equal employment opportunity.

**Health Insurance Portability and Accountability Act (HIPAA):** The Contractor agrees that, if the Division determines that some or all of the activities within the scope of this contract are subject to the Health Insurance Portability and Accountability Act of 1996, P.L. 104-91, as amended ("HIPAA"), or its implementing regulations, it will comply with the HIPAA requirements and will execute such agreements and practices as the Division may require to ensure compliance.

**Executive Order # 24:** By Executive Order 24, issued by Governor Perdue on October 1, 2009, and N.C. G.S. § 133-32, it is unlawful for any vendor or contractor (i.e. architect, bidder, contractor, construction manager, design professional, engineer, landlord, offeror, seller, subcontractor, supplier, or vendor), to make gifts or to give favors to any State employee of the Governor's Cabinet Agencies (i.e., Administration, Commerce, Correction, Crime Control and Public Safety, Cultural Resources, Environment and Natural Resources, Health and Human Services, Juvenile Justice and Delinquency Prevention, Revenue, Transportation, and the Office of the Governor). This prohibition covers those vendors and contractors who:

- (1) have a contract with a governmental agency; or
- (2) have performed under such a contract within the past year; or
- (3) anticipate bidding on such a contract in the future.

For additional information regarding the specific requirements and exemptions, vendors and contractors are encouraged to review Governor Perdue's October 1, 2009 Executive Order 24 and G.S. Sec. 133-32.

To find Governor Perdue's October 1, 2009 Executive Order 24:

- Go to <http://www.governor.state.nc.us/>;
- Click on "Newsroom";
- Click on "Executive Orders and Proclamations";

- Scroll down and click on the words "click here" in the sentence that states, "To view previous Executive Orders, please click here;" and
- Scroll down and click on "EO 24: Gift Ban."

#### Confidentiality

**Confidentiality:** Any information, data, instruments, documents, studies or reports given to or prepared or assembled by the Contractor under this agreement shall be kept as confidential and not divulged or made available to any individual or organization without the prior written approval of the Division. The Contractor acknowledges that in receiving, storing, processing or otherwise dealing with any confidential information it will safeguard and not further disclose the information except as otherwise provided in this contract.

#### Oversight

**Access to Persons and Records:** The State Auditor shall have access to persons and records as a result of all contracts or grants entered into by State agencies or political subdivisions in accordance with General Statute 147-64.7. Additionally, as the State funding authority, the Department of Health and Human Services shall have access to persons and records as a result of all contracts or grants entered into by State agencies or political subdivisions.

**Record Retention:** Records shall not be destroyed, purged or disposed of without the express written consent of the Division. State basic records retention policy requires all grant records to be retained for a minimum of five years or until all audit exceptions have been resolved, whichever is longer. If the contract is subject to federal policy and regulations, record retention may be longer than five years. Records must be retained for a period of three years following submission of the final Federal Financial Status Report, if applicable, or three years following the submission of a revised final Federal Financial Status Report. Also, if any litigation, claim, negotiation, audit, disallowance action, or other action involving this Contract has been started before expiration of the five-year retention period described above, the records must be retained until completion of the action and resolution of all issues which arise from it, or until the end of the regular five-year period described above, whichever is later. The record retention period for Temporary Assistance for Needy Families (TANF) and MEDICAID and Medical Assistance grants and programs must be retained for a minimum of ten years.

#### Warranties and Certifications

**Date and Time Warranty:** The Contractor warrants that the product(s) and service(s) furnished pursuant to this contract ("product" includes, without limitation, any piece of equipment, hardware, firmware, middleware, custom or commercial software, or internal components, subroutines, and interfaces therein) that perform any date and/or time data recognition function, calculation, or

sequencing will support a four digit year format and will provide accurate date/time data and leap year calculations. This warranty shall survive the termination or expiration of this contract.

**Certification Regarding Collection of Taxes:** G.S. 143-59.1 bars the Secretary of Administration from entering into contracts with vendors that meet one of the conditions of G.S. 105-164.8(b) and yet refuse to collect use taxes on sales of tangible personal property to purchasers in North Carolina. The conditions include: (a) maintenance of a retail establishment or office; (b) presence of representatives in the State that solicit sales or transact business on behalf of the vendor; and (c) systematic exploitation of the market by media-assisted, media-facilitated, or media-solicited means. The Contractor certifies that it and all of its affiliates (if any) collect all required taxes.

#### **Miscellaneous**

**Choice of Law:** The validity of this contract and any of its terms or provisions, as well as the rights and duties of the parties to this contract, are governed by the laws of North Carolina. The Contractor, by signing this contract, agrees and submits, solely for matters concerning this Contract, to the exclusive jurisdiction of the courts of North Carolina and agrees, solely for such purpose, that the exclusive venue for any legal proceedings shall be Wake County, North Carolina. The place of this contract and all transactions and agreements relating to it, and their situs and forum, shall be Wake County, North Carolina, where all matters, whether sounding in contract or tort, relating to the validity, construction, interpretation, and enforcement shall be determined.

**Amendment:** This contract may not be amended orally or by performance. Any amendment must be made in written form and executed by duly authorized representatives of the Division and the Contractor. The Purchase and Contract Divisions of the NC Department of Administration and the NC Department of Health and Human Services shall give prior approval to any amendment to a contract awarded through those offices.

**Severability:** In the event that a court of competent jurisdiction holds that a provision or requirement of this contract violates any applicable law, each such provision or requirement shall continue to be enforced to the

extent it is not in violation of law or is not otherwise unenforceable and all other provisions and requirements of this contract shall remain in full force and effect.

**Headings:** The Section and Paragraph headings in these General Terms and Conditions are not material parts of the agreement and should not be used to construe the meaning thereof.

**Time of the Essence:** Time is of the essence in the performance of this contract.

**Key Personnel:** The Contractor shall not replace any of the key personnel assigned to the performance of this contract without the prior written approval of the Division. The term "key personnel" includes any and all persons identified by as such in the contract documents and any other persons subsequently identified as key personnel by the written agreement of the parties.

**Care of Property:** The Contractor agrees that it shall be responsible for the proper custody and care of any property furnished to it for use in connection with the performance of this contract and will reimburse the Division for loss of, or damage to, such property. At the termination of this contract, the Contractor shall contact the Division for instructions as to the disposition of such property and shall comply with these instructions.

**Travel Expenses:** Reimbursement to the Contractor for travel mileage, meals, lodging and other travel expenses incurred in the performance of this contract shall not exceed the rates published in the applicable State rules. International travel shall not be reimbursed under this contract.

**Sales/Use Tax Refunds:** If eligible, the Contractor and all subcontractors shall: (a) ask the North Carolina Department of Revenue for a refund of all sales and use taxes paid by them in the performance of this contract, pursuant to G.S. 105-164.14; and (b) exclude all refundable sales and use taxes from all reportable expenditures before the expenses are entered in their reimbursement reports.

**Advertising:** The Contractor shall not use the award of this contract as a part of any news release or commercial advertising.



## Standard Forms

### Open Windows Add/Update

Provider Legal Name:   
Main Address:   
  
Phone:

*(note: a copy of the documentation validating the name must be attached to this form)*

Weblink:

*(include the main webpage URL if applicable)*

Provider Type:  Choose Month and Date of provider year end:

*(choose one. Attached documentation must support your choice here)*

Gov Entity Type:  Choose - Make this selection **ONLY** if the Provider Type is Local Government

*(choose one. Attached documentation must support your choice here)*

Tax ID Type:  Choose Tax Id:  DUNS #:

*(note: a copy of documents validating the ID & DUNS # must be attached to this form)*

You must submit documentation validating the Tax ID, Provider Type and any certifications of assumed names.

Attached Documentation:

- |  |  |
|--|--|
| <input type="checkbox"/> IRS Letter/Tax Record | <input type="checkbox"/> Certificate of Assumed Name               |
| <input type="checkbox"/> Register of Deeds     | <input type="checkbox"/> Copy of Info. from Secretary of the State |
| <input type="checkbox"/> CCR results           | <input type="checkbox"/> Other: <input type="text"/>               |

Is this provider a "Parent" entity that has other "Children" that we contract with?  Choose

If Yes, What is the "Child's" legal name:

*(Note: The "Parent" is the umbrella entity that has other entities (child) within the organization sharing the same EIN, using a different name. If more than one, attach the listing of names)*

Is this provider a "Child" of a "Parent" entity?  Choose

If Yes, What is the "Parent" legal name:

How do we separate the Parent and Child Names?  Choose

*(note: if choosing DBA, attach certificate of assumed name)*

How do the names need to appear on the Contract Document?

**County naming convention example:**

Parent = Washington County

Child = Washington County Fire Department

Full Name: Washington County DBA Washington County Fire Department

**Other State Agency naming convention example:**

Parent = North Carolina Department of Crime Control & Public Safety

Child = Emergency Management Division

Full Name: North Carolina Department of Crime Control & Public Safety, Emergency Management Division

**The UNC System** has been set up with a naming convention that we are trying to use for all schools:

1. The University Name (for all departments within the school)
2. The University Name (Parent) for its Department of ----- (child) in the school of Medicine. The school of Medicine contracts are the only exception to the use of just the University Name. The departmental names for you to choose from will be set up for you in OW.
3. The Hospital Name (which is technically not part to the actual University and will have a different EIN)

G.S. 66-68 prescribes the method for registering assumed names (d/b/a). You can confirm a d/b/a by asking the contractor to send you a copy of the certificate it filed with the county register of deeds. You can confirm a contractor/taxpayer's EIN by asking the contractor/taxpayer to send you a copy of the IRS notice that conferred the EIN upon the contractor/taxpayer. If the contractor has lost these documents, the contractor can obtain duplicates from the register of deeds and the IRS.

**Add a New Provider** – be sure to fill in all information and attach documentation

**Change Provider information** – Fill out the name and Tax Id and then only fill out the information that needs to be changed and attach documentation showing/validating the need for the change.

**State Certifications**  
**Contractor Certifications Required by North Carolina Law**

**Instructions**

The person who signs this document should read the text of the statutes listed below and consult with counsel and other knowledgeable persons before signing. The text of each North Carolina General Statutes can be found online at:

- Article 2 of Chapter 64: [http://www.ncga.state.nc.us/EnactedLegislation/Statutes/PDF/ByArticle/Chapter\\_64/Article\\_2.pdf](http://www.ncga.state.nc.us/EnactedLegislation/Statutes/PDF/ByArticle/Chapter_64/Article_2.pdf)
- G.S. 105-164.8(b): [http://www.ncga.state.nc.us/EnactedLegislation/Statutes/PDF/BySection/Chapter\\_105/GS\\_105-164.8.pdf](http://www.ncga.state.nc.us/EnactedLegislation/Statutes/PDF/BySection/Chapter_105/GS_105-164.8.pdf)
- G.S. 143-48.5: [http://www.ncga.state.nc.us/EnactedLegislation/Statutes/HTML/BySection/Chapter\\_143/GS\\_143-48.5.html](http://www.ncga.state.nc.us/EnactedLegislation/Statutes/HTML/BySection/Chapter_143/GS_143-48.5.html)
- G.S. 143-59.1: [http://www.ncga.state.nc.us/EnactedLegislation/Statutes/PDF/BySection/Chapter\\_143/GS\\_143-59.1.pdf](http://www.ncga.state.nc.us/EnactedLegislation/Statutes/PDF/BySection/Chapter_143/GS_143-59.1.pdf)
- G.S. 143-59.2: [http://www.ncga.state.nc.us/EnactedLegislation/Statutes/PDF/BySection/Chapter\\_143/GS\\_143-59.2.pdf](http://www.ncga.state.nc.us/EnactedLegislation/Statutes/PDF/BySection/Chapter_143/GS_143-59.2.pdf)
- G.S. 147-33.95(g): [http://www.ncga.state.nc.us/EnactedLegislation/Statutes/HTML/BySection/Chapter\\_147/GS\\_147-33.95.html](http://www.ncga.state.nc.us/EnactedLegislation/Statutes/HTML/BySection/Chapter_147/GS_147-33.95.html)

**Certifications**

- (1) **Pursuant to G.S. 143-48.5 and G.S. 147-33.95(g)**, the undersigned hereby certifies that the Contractor named below, and the Contractor's subcontractors, complies with the requirements of Article 2 of Chapter 64 of the NC General Statutes, including the requirement for each employer with more than 25 employees in North Carolina to verify the work authorization of its employees through the federal E-Verify system." E-Verify System Link: [www.uscis.gov](http://www.uscis.gov)
- (2) **Pursuant to G.S. 143-59.1(b)**, the undersigned hereby certifies that the Contractor named below is not an "ineligible Contractor" as set forth in G.S. 143-59.1(a) because:
  - (a) Neither the Contractor nor any of its affiliates has refused to collect the use tax levied under Article 5 of Chapter 105 of the General Statutes on its sales delivered to North Carolina when the sales met one or more of the conditions of G.S. 105-164.8(b); **and**
  - (b) [check **one** of the following boxes]
    - ☐ Neither the Contractor nor any of its affiliates has incorporated or reincorporated in a "tax haven country" as set forth in G.S. 143-59.1(c)(2) after December 31, 2001; **or**
    - ☐ The Contractor or one of its affiliates **has** incorporated or reincorporated in a "tax haven country" as set forth in G.S. 143-59.1(c)(2) after December 31, 2001 **but** the United States is not the principal market for the public trading of the stock of the corporation incorporated in the tax haven country.
- (3) **Pursuant to G.S. 143-59.2(b)**, the undersigned hereby certifies that none of the Contractor's officers, directors, or owners (if the Contractor is an unincorporated business entity) has been convicted of any violation of Chapter 78A of the General Statutes or the Securities Act of 1933 or the Securities Exchange Act of 1934 within 10 years immediately prior to the date of the bid solicitation.
- (4) The undersigned hereby certifies further that:
  - (a) He or she is a duly authorized representative of the Contractor named below;
  - (b) He or she is authorized to make, and does hereby make, the foregoing certifications on behalf of the Contractor; and
  - (c) He or she understands that any person who knowingly submits a false certification in response to the requirements of G.S. 143-59.1 and -59.2 shall be guilty of a Class I felony.

---

Contractor's Name

---

Signature of Contractor's Authorized Agent

---

Date

---

Printed Name of Contractor's Authorized Agent

---

Title

---

Signature of Witness

---

Date

---

Printed Name of Witness

---

Title

The witness should be present when the Contractor's Authorized Agent signs this certification and should sign and date this document immediately thereafter.

## STATE GRANT CERTIFICATION – NO OVERDUE TAX DEBTS

**Instructions:** Grantee/Provider should complete this certification for all state funds received. Entity should enter appropriate data in the yellow highlighted areas. The completed and signed form should be provided to the state agency funding the grant to be attached to the contract for the grant funds. A copy of this form, along with the completed contract, should be kept by the funding agency and available for review by the Office of State Budget and Management.

### Entity's Letterhead

**[Date of Certification (mmddyyyy)]**

To: State Agency Head and Chief Fiscal Officer

#### Certification:

We certify that the *[insert organization's name]* does not have any overdue tax debts, as defined by N.C.G.S. 105-243.1, at the federal, State, or local level. We further understand that any person who makes a false statement in violation of N.C.G.S. 143C-6-23(c) is guilty of a criminal offense punishable as provided by N.C.G.S. 143-34(b).

#### Sworn Statement:

[Name of Board Chair] and [Name of Second Authorizing Official] being duly sworn, say that we are the Board Chair and [Title of the Second Authorizing Official], respectively, of [insert name of organization] of [City] in the State of [Name of State]; and that the foregoing certification is true, accurate and complete to the best of our knowledge and was made and subscribed by us. We also acknowledge and understand that any misuse of State funds will be reported to the appropriate authorities for further action.

\_\_\_\_\_  
Board Chair

\_\_\_\_\_  
Title of Second Authorizing Official

Sworn to and subscribed before me on the day of the date of said certification.

\_\_\_\_\_  
(Notary Signature and Seal)

My Commission Expires: \_\_\_\_\_

If there are any questions, please contact the state agency that provided your grant. If needed, you may contact the North Carolina Office of State Budget and Management: [NCGrants@osbm.nc.gov](mailto:NCGrants@osbm.nc.gov) (919)807-4795

<sup>1</sup> G.S. 105-243.1 defines: Overdue tax debt. – Any part of a tax debt that remains unpaid 90 days or more after the notice of final assessment was mailed to the taxpayer. The term does not include a tax debt; however, if the taxpayer entered into an installment agreement for the tax debt under G.S. 105-237 within 90 days after the notice of final assessment was mailed and has not failed to make any payments due under the installment agreement.

CONFLICT OF INTEREST ACKNOWLEDGEMENT AND POLICY

State of \_\_\_\_\_

County \_\_\_\_\_

I, \_\_\_\_\_, Notary Public for said County and State, certify that  
\_\_\_\_\_ personally appeared before me this day and acknowledged  
that he/she is \_\_\_\_\_ of \_\_\_\_\_  
[name of Organization]

and by that authority duly given and as the act of the Organization, affirmed that the foregoing Conflict of  
Interest Policy was adopted by the Board of Directors/Trustees or other governing body in a meeting held  
on the \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

Sworn to and subscribed before me this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

\_\_\_\_\_  
(Official Seal)

Notary Public

My Commission expires \_\_\_\_\_, 20 \_\_\_\_

.....  
**Instruction for Organization:**

***Sign and attach the following pages after adopted by the Board of Directors/Trustees or other governing body OR replace the following with the current adopted conflict of interest policy.***

\_\_\_\_\_  
Name of Organization

\_\_\_\_\_  
Signature of Organization Official



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## Conflict of Interest Policy Example

The Board of Directors/Trustees or other governing persons, officers, employees or agents are to avoid any conflict of interest, even the appearance of a conflict of interest. The Organization's Board of Directors/Trustees or other governing body, officers, staff and agents are obligated to always act in the best interest of the organization. This obligation requires that any Board member or other governing person, officer, employee or agent, in the performance of Organization duties, seek only the furtherance of the Organization mission. At all times, Board members or other governing persons, officers, employees or agents, are prohibited from using their job title, the Organization's name or property, for private profit or benefit.

A. The Board members or other governing persons, officers, employees, or agents of the Organization should neither solicit nor accept gratuities, favors, or anything of monetary value from current or potential contractors/vendors, persons receiving benefits from the Organization or persons who may benefit from the actions of any Board member or other governing person, officer, employee or agent. This is not intended to preclude bona-fide Organization fund raising-activities.

B. A Board or other governing body member may, with the approval of Board or other governing body, receive honoraria for lectures and other such activities while not acting in any official capacity for the Organization. Officers may, with the approval of the Board or other governing body, receive honoraria for lectures and other such activities while on personal days, compensatory time, annual leave, or leave without pay. Employees may, with the prior written approval of their supervisor, receive honoraria for lectures and other such activities while on personal days, compensatory time, annual leave, or leave without pay. If a Board or other governing body member, officer, employee or agent is acting in any official capacity, honoraria received in connection with activities relating to the Organization are to be paid to the Organization.

C. No Board member or other governing person, officer, employee, or agent of the Organization shall participate in the selection, award, or administration of a purchase or contract with a vendor where, to his knowledge, any of the following has a financial interest in that purchase or contract:

1. The Board member or other governing person, officer, employee, or agent;
2. Any member of their family by whole or half blood, step or personal relationship or relative-in-law;
3. An organization in which any of the above is an officer, director, or employee;
4. A person or organization with whom any of the above individuals is negotiating or has any arrangement concerning prospective employment or contracts.

D. **Duty to Disclosure** -- Any conflict of interest, potential conflict of interest, or the appearance of a conflict of interest is to be reported to the Board or other governing body or one's supervisor immediately.

E. **Board Action** -- When a conflict of interest is relevant to a matter requiring action by the Board of Directors/Trustees or other governing body, the Board member or other governing person, officer, employee, or agent (person(s)) must disclose the existence of the conflict of interest and be given the opportunity to disclose all material facts to the Board and members of committees with governing board delegated powers considering the possible conflict of interest. After disclosure of all material facts, and after any discussion with the person, he/she shall leave the governing board or committee meeting while the determination of a conflict of interest is discussed and voted upon. The remaining board or committee members shall decide if a conflict of interest exists.

In addition, the person(s) shall not participate in the final deliberation or decision regarding the matter under consideration and shall leave the meeting during the discussion of and vote of the Board of Directors/Trustees or other governing body.

F. **Violations of the Conflicts of Interest Policy** -- If the Board of Directors/Trustees or other governing body has reasonable cause to believe a member, officer, employee or agent has failed to disclose actual or possible conflicts of interest, it shall inform the person of the basis for such belief and afford the person an opportunity to explain the alleged failure to disclose. If, after hearing the person's response and after making further investigation as warranted by the circumstances, the Board of Directors/Trustees or other governing body determines the member, officer, employee or agent has failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

G. **Record of Conflict** -- The minutes of the governing board and all committees with board delegated powers shall contain:

1. The names of the persons who disclosed or otherwise were found to have an actual or possible conflict of interest, the nature of the conflict of interest, any action taken to determine whether a conflict of interest was present, and the governing board's or committee's decision as to whether a conflict of interest in fact existed.
2. The names of the persons who were present for discussions and votes relating to the transaction or arrangement that presents a possible conflict of interest, the content of the discussion, including any alternatives to the transaction or arrangement, and a record of any votes taken in connection with the proceedings.

Approved by:

##ContractorName##  
Name of Organization

\_\_\_\_\_  
Signature of Organization Official

\_\_\_\_\_  
Date

### *Conflict of Interest Verification*

#### **Conflict of Interest Verification (Annual)**

We, the undersigned entity, hereby testify that our Organization's Conflict of Interest Acknowledgement and Policy adopted by the Board of Directors/Trustees or other governing body, is on file with the North Carolina Department of Health and Human Services (DHHS). If any changes are made to the Conflict of Interest Policy, we will submit a new Conflict of Interest Acknowledgment and Policy to the Department (DHHS).

\_\_\_\_\_  
Name of Organization

\_\_\_\_\_  
Chairman, Executive Director, or other Authorized Official

\_\_\_\_\_  
Date

**VERIFICATION OF 501 (C) (3) STATUS**

We, the undersigned entity, hereby testify that the 501 (c) (3) status is on file with the North Carolina Department of Health and Human Services is still in effect.

Name of Agency \_\_\_\_\_

\_\_\_\_\_  
Chairman, Executive Director, or other Authorized Official

Sworn to and subscribed before me, this \_\_\_\_\_ day of \_\_\_\_\_.

\_\_\_\_\_  
Notary Public

My Commission expires: \_\_\_\_\_

**PRTF Education Budget**

Agency Name

Budget Year

**1. Human Resources**

Position title

Salary

Fringes

1.

2.

3.

.

.

**Total Human Resources:** \_\_\_\_\_

**2. Operational Expenses**

Furniture:

List Item/cost/ narrative –

Example - 20 students desks at \$200/each=\$4,000.00

Total Furniture

Other:

Textbooks, Curriculum, classroom supplies etc. List item/cost/ narrative separately-

Examples – SRA math and Reading Program - \$3000.00; school supplies for 4 classrooms at \$35.00/week

Total Other:

**Total Operational Expenses:** \_\_\_\_\_

**3. Equipment**

List item/cost/narrative for each item under each category

Examples – 5 student laptop computers at \$350.00 each; school internet fee at \$80.00/month

Communication

Office



**Equipment Continued**

IT

Assistive technology

Vehicles

Other

**Total cost of equipment:** \_\_\_\_\_

**4. Travel**

Number of miles/mileage cost/narrative (reason for travel)

**Total cost of travel:** \_\_\_\_\_

**5. Staff Development**

(Number of staff to be trained and cost per staff)

**Total cost for staff development:** \_\_\_\_\_

**6. Professional services ( total cannot exceed 10% of the total of items 1-5)**

Legal

IT

Accounting

Payroll

Security

Audit

Insurance and Bonding

Other

**Total professional services:** \_\_\_\_\_

**Budget Total:**

**INSTRUCTIONS FOR DMH/DD/SAS FORM #1003 (FA & POS)  
FINANCIAL STATUS REPORT FOR  
REIMBURSEMENT OF SERVICES**

**PURPOSE**

This form is used for the following three purposes:

- (1) to request reimbursement;
- (2) to report expenditures on a monthly basis; and
- (3) to calculate the remaining unexpended budget balance

All submitted forms must be in accordance with the provisions of the contract and be accurately completed.

**Due Date:** The form must be submitted by the tenth (10th) of the month following the month during which expenditures occurred.

**Instructions for all items on the form are listed below. Please read all instructions carefully.**

*(Contract Identification Section)*

*This section of the report reflects the pertinent data elements that are used to identify the reporting entity.*

**1) Project:**

Enter the name of the project (i.e., Substance Abuse Prevention, Cooperative Prevention Grant, etc.)

**2) Organization Name:**

Enter the full name of the contracting organization reporting expenditures.

**3) Mailing Address:**

Enter the complete mailing address for the reporting organization.

**4) Final/Amended Report:**

Place an **X** in the appropriate box if this is either the final report for the contract period or if this is an amended report for a prior reporting period.

**5) Contract Number:**

This is the number that was assigned by the Division of Mental Health, Developmental Disabilities, and Substance Abuse Services to the contract document when the contract was approved. The number is located on page one of the approved DHHS DMH/DD/SAS contract document and should be used in all correspondence pertaining to this contract.

**6) Contract Period:**

Enter the effective dates of the contract period. The contract period effective dates are located on the first page of the original contract (e.g., July 1, 2003 through June 30, 2004).

**7) Contact Person:**

Enter the full name of the person to be contacted regarding expenditure matters for this organization.

**8) Telephone Number:**

Enter the area code and phone number of the Contact Person, including any extensions, in case clarification or additional information is needed.

**9) Total Amount Requested:**

The total amount requested should be equal to the amount calculated on Line 24.

**10) Period Covered by this Request:**

Financial status reports should be submitted on a monthly basis. Indicate the exact period for which expenditures are being reported (e.g., July 1, 2003 to July 31, 2003).

*(Expenditure Reporting Section)*

*This section of the report is to be completed when reporting categories of expenditures for reimbursement purposes.*

**Column A (Approved Budget):**

*This column represents the budgeted objects of expenditures and the corresponding line item detail as approved by the Division of Mental Health, Developmental Disabilities, and Substance Abuse Services. The initial budget approved with your contract remains in effect unless you request a budget revision. All requested budget revisions must be in writing. All over-expenditures of budgeted object totals will **not** be eligible for funding by the Division of Mental Health, Developmental Disabilities, and Substance Abuse Services.*

**Column B (Previously Reported Expenditures):**

*This column is to be used for identification of all previously reported expenditures for prior periods.*

**Column C (Current Period Expenditures):**

*This column is to be used for reporting the expenditures that were incurred in the current reporting period.*

**Column D (Year to Date Expenditures):**

*This column represents the cumulative total (Column B plus C) of all expenditures that have been incurred during the contract period and becomes the previously reported expenditures for the next month.*

**Column E (Unexpended Balance):**

*This column identifies the amount of unexpended funds (Column A minus D), by line item detail of expenditures and "object class" totals, remaining within the total contract budget.*

**Column F (Monthly Match Expenditures):**

*This column is used for reporting in kind and/or cash match expenditures that were incurred in the current reporting period.*

**Column G (Year to Date Match Expenditures):**

*This column is used to report the cumulative total of all in kind and/or cash match expenditures that have been incurred during the contract period.*

**11) Total Personnel Costs:**

Enter the respective totals for all expenditures that fall within this "object class" category. Expenditures for personnel costs include all compensation for permanent, temporary and emergency employees and their corresponding staff benefits. Expenditures for Professional Services, such as attorney or accountant fees, and expenditures relating to Board Member Compensation (excluding travel per diem) should also be reported under this category.

**12) Total Supplies and Materials:**

Enter the respective totals for all expenditures that fall within this "object class" category. Supplies and materials generally include commodities that are consumed in operations within a relatively short period or the use of which results in a material change in, or an appreciable impairment of their physical condition. The following list, which is not all inclusive, identifies the types of expenditures which should be reported under this category:

- a. Office Supplies and Materials
- b. Computer Supplies and Software
- c. Janitorial Supplies

d. Educational/Medical Supplies

**13) Total Operational Expenses:**

Enter the respective totals for all expenditures that fall within this "object class" category. All expenditures for operation and maintenance services incurred by the organization are classified as current operational expenses and services.

The following list, which is not all inclusive, identifies the types of expenditures which should be reported under this category:

- a. Travel
- b. Communication Expense (Telephone, Postage, etc.)
- c. Utilities (Electric, Water, Gas, etc.)
- d. Printing and Binding Costs
- e. Repair and Maintenance Costs (Buildings, Equipment, Furniture, Vehicles, etc.)
- f. Computer Services (Accounting, Payroll, Data Processing, etc.)
- g. Employee Training
- h. Advertising
- i. Board Member Expense (Travel, Per Diem, etc.)

**14) Total Fixed Charges and Other Expenses:**

Enter the respective totals for all expenditures that fall within this "object class" category. All expenditures that are based upon a predetermined rate should be classified as fixed charges. The following list, which is not all inclusive, identifies the types of expenditures which should be reported under this category:

- a. Office Rent (Land, Building, etc.)
- b. Furniture Rental
- c. Equipment Rental (Telephone, Computer, Copier, etc.)
- d. Dues and Subscriptions
- e. Insurance and Bonding

**15) Total Capital Outlay:**

Enter the respective totals for all expenditures that fall within this "object class" category. All expenditures that are for the purchase of tangible items with a service life of more than one year should be classified as capital outlay. The following list, which is not all inclusive, identifies the types of expenditures which should be reported under this category:

- a. Office Furniture (Desks, File Cabinets, Calculators, Typewriters, Copiers, etc.)
- b. Computer Equipment

**16) Total Grants and Contracts:**

Enter the total of all funds you make available to other organizations or entities through formal grants or contracts. An example would be start-up or improvement grants to providers.

**17) Total Purchase of Services Costs:**

Enter the total of all funds made available to purchase services for which a formal contract or grant is not in place. Examples include: payments to providers based on the submission of a voucher given to the provider by a client or emergency care payments made on behalf of clients by a "review panel."

**18) Indirect Costs:**

Enter the amount of indirect costs being charged. (Note: Must have federal approved indirect cost rate agreement if including indirect costs.)

**19) Totals:**

In each column (A through E), enter the sum of the respective totals that were entered into the Following budget lines:

- Total Personnel Costs
- Total Supplies and Materials
- Total Current Obligations
- Total Fixed Charges and Other Expenses
- Total Capital Outlay

Total Grants and Contracts  
Total Purchase of Services Costs  
Total of Direct Costs

*(Computation of Cash Requirements Section)*

*This section of the report is used to identify the amount of cash funds to be paid to the organization based upon its reimbursement request.*

**20) Program Income:**

Enter the amount of program income earned. Program income is defined as income earned by a grantee from activities for which part or all of the cost is borne as a direct cost by a grant or income that would not have occurred except for the existence of the grant supported project.

**21) Net Total: Subtract the amount of program income earned during the current period from the current period expenditures. (Example: Program income earned during the month of July is \$1,000; July expenditures are \$3,000. Only request payment of \$2,000.)**

**22) Total Cash Received and Requested to Date:**

Enter the sum of all funds previously received by the organization under the terms of this contract. Also include any **prior** cash payment requests that have been submitted but the actual cash payment has **not** been received as of the report date. *(This situation should only occur if there has been an unusual delay in reporting expenditures to the Division of Mental Health, Developmental Disabilities, and Substance Abuse Services which has, in turn, delayed the reimbursement from the Division of Mental Health, Developmental Disabilities, and Substance Abuse Services.)*

**23) Total Year To Date Expenditures:**

Enter the total amount from Column D, line 21.

**24) Total Cash Payment Requested:**

Subtract line 22 from line 23. You should only be requesting cash on a reimbursement basis. If this is the final report for the contract period, then any cash balance on hand must be returned to Division of Mental Health, Developmental Disabilities, and Substance Abuse Services with the final report.

**25) Minimum Required Match for Total Expenditures:**

Enter the minimum required match for the current period expenditures.

**26) Authorized Contractor Signature/Title/Date:**

The designated individual within the organization that has been given the authority to certify that the report is accurate and in accordance with the contract terms will record their signature in the appropriate space. In addition, this person should also record their correct title and the signature date.

**27) DMH/DD/SAS Signature Approval/Title/Date:**

The designated individual within the Division of Mental Health, Developmental Disabilities, and Substance Abuse Services who has been given the authority to approve the Financial Status Report will record their signature in the appropriate space. In addition, this person should also record their correct title and the signature date.

**28) DMH/DD/SAS Contract Office Approval:**

The Contract/Budget Officer with the Division of Mental Health, Developmental Disabilities, and Substance Abuse Services who has been given the authority to approve the Financial Status Report will record their signature and signature date in the appropriate space.

## Financial Status Report Form

### Financial Status Report (FSR)

N.C. Department of Health and Human Services

Division of Mental Health, Developmental Disabilities and Substance Abuse Services

Request for Reimbursement- FA & POS (Includes Match)

1) Project:	5) Contract #:
2) Organization Name:	6) Contract Period:
3) Mailing Address:	7) Contact Person:
	8) Telephone #: (    )
	9) Total Amount Requested (Item 24):
	10) Period covered by this request
4) Final Report: <input type="checkbox"/>	Amended Report: <input type="checkbox"/>
	From: To:

Expenditure Category	A. Approved Budget	B. Previously Reported Expenditures	C. Current Period Expenditures	D. Year to Date Expenditures (Column B + C)	E. Unexpended Balance (Column A - D)	F. Monthly Match Expenditures	G. Year to Date Match Expenditures
17) TOTALS							
18) PROGRAM INCOME							
19) NET TOTAL (Line 17 minus line 18)							

#### COMPUTATION OF CASH REQUIREMENTS

20) Total Cash Received and Requested to Date	22) Total Cash Payment Requested (Line 22 minus Line 23)
21) Total Year to Date Expenditures (Column D, line 21)	23) MINIMUM REQUIRED MATCH FOR TOTAL EXPENDITURES

#### CERTIFICATION:

As chief executive officer or designee of the contracting organization, I hereby certify that the costs or units billed on this form were incurred and delivered according to the provisions of the contract. I further certify that any required matching expenditures have been incurred, and that to the best of my knowledge and belief we have complied with all laws, regulations and contractual provisions that are conditions for payment under this contract.

26) Authorized Contractor Signature & Title: \_\_\_\_\_ Date \_\_\_\_\_  
Signature Title

27) DMH/DD/SAS Section Approval & Title: \_\_\_\_\_ Date \_\_\_\_\_

28) DMH/DD/SAS Contract Office Approval: \_\_\_\_\_ Date \_\_\_\_\_

RE: **Vendor Electronic Payment Form (for use by private sector)**

Dear DMH/DD/SAS Contractor:

For your convenience and benefit, the State of North Carolina offers payees the opportunity to receive future payments electronically, rather than by check. Your payments will be deposited into the checking or savings account of your choice. In addition to having the money deposited electronically, you also will be notified of the deposit either by fax or by e-mail. The fax or e-mail will provide you with all the information that would normally be on your check stub. To receive payments electronically, you must print, complete the enclosed form, attach a voided check and return both to the address below:

**OSC Support Service Center  
1410 Mail Service Center  
Raleigh, NC 27699-1410**

If you have any questions, please contact OSC Support Services at (919)707-0795 or [osc.support.services@osc.nc.gov](mailto:osc.support.services@osc.nc.gov). The form and instructions are also located on OSC's website at: <http://www.osc.nc.gov/vendorepayform/index.html>.

**Please note that you only need to send in one form for your agency even if you have multiple contracts with various divisions.** Thank you for your cooperation.

Attachment: 1

**Office of the State Controller****Return to: OSC Support Services Center**Address: 1410 Mail Service Center  
Raleigh, NC 27699-1410**Vendor Electronic Payment Form**

Telephone: 919-707-0795

☐ New Add Request

Fax: 919-981-5561

☐ Change Existing ePay Account

For your convenience and benefit, the State of North Carolina offers payees the opportunity to receive future payments electronically, rather than by check. Your payments will be deposited into the checking or savings account of your choice. In addition to having the money deposited electronically, you also will be notified of the deposit either by fax or by e-mail. The fax or e-mail will provide you with all the information that would normally be on your check stub. To receive payments electronically, you must print, complete this form, attach a voided check and return both to the address above.

PRINT the following information.		FAX or E-MAIL ADDRESS for payment notification. (Place a check mark in front of the method that you prefer.)	
Payee Name:		<input type="checkbox"/> E-mail address:	
Federal ID #/SSN #:		<input type="checkbox"/> FAX Number:	
Bank Name:		Authorized Signature:	
Bank Routing Number:		Print Name:	
<input type="checkbox"/> Checking Acct #:		Title:	
<input type="checkbox"/> Savings Acct #:		Date:	
Remit Address(es) For Applicable Acct(s):			

**ATTACH VOIDED CHECK**

<p>I acknowledge that electronic payments to the designated account must comply with the provisions of U.S. law, as well as the requirements of the Office of Foreign Assets Control (OFAC). Check one of the following:</p> <p><input type="checkbox"/> I affirm that, regarding electronic payments the State of North Carolina may remit to the financial institution for credit to the account that I have designated, the entire payment amount is not subject to being transferred to a foreign bank account.</p> <p><input type="checkbox"/> I affirm that, regarding electronic payments the State of North Carolina may remit to the financial institution for credit to the account that I have designated, the entire payment amount is subject to being transferred to a foreign bank account. I understand that any electronic payments that may be remitted to me may be labeled with "IAT" as the standard entry class. I acknowledge that availability of funds credited to the account will be subject to my receiving financial institution's policies and procedures. I also understand that the remitting agency may elect to remit future payments to me via paper check instead of electronically.</p> <p>I authorize the Office of the State Controller to initiate direct deposit entries each pay period, and if necessary, adjustments for any direct deposit entries in error, to the financial institution and account identified on the attached certification document. I understand and accept the conditions of participation in the direct deposit program. This authority will remain in effect until I cancel it in writing.</p>	
<b>SIGNATURE:</b>	<b>DATE:</b>



**Agency:**

Alexander Youth Network  
Barium Springs  
Brynn Marr  
Cornerstone Treatment Facility, Inc.  
Cornerstone Treatment Facility Program, Inc.  
Eliada Homes, Inc.  
Nova, Inc.  
Premier Health Care Services, Inc.  
Premier Services of the Carolinas, Inc.  
SBH-Charlotte  
SBH – Raleigh  
SBH – Wilmington  
Thompson Child and Family Services  
Yahweh Center  
Youth Focus, Inc.  
Veritas Collaborative, LLC.

**First name**

**Last name**

**DOB**

**Age at admission**

**Child's MCO:**

Alliance Behavioral Healthcare  
Cardinal Innovations Healthcare Solutions  
CenterPoint Human Services  
Eastpointe  
Partners Behavioral health Management  
Sandhills Center  
Smoky Mountain Center  
Trillium Health Resources

**Admission Date:**

**Gender:**

Male  
Female

**Educational Placement Prior to Admission:**

Inpatient Psychiatric Hospital School  
PRTF School  
Day Treatment  
Non Public Alternative school  
Public Alternative School  
Mainstream Public School

Charter School  
Early College  
GED Program  
Home School  
None/runaway  
None/incarceration  
None/drop out  
Other

**Date Records Requested**

**Date Records Received**

**EC Disability prior to admission:**

No indication that student needs EC

No – no indication that student has ever been identified

Yes

**If EC Disability Type:**

AU

DB

DF

DD

ED

HI

ID

MU

OI

OHI

SLD

SI

TBI

VI

**Admission Reading Comprehension Score**

**Admission Math Calculation Score**

**Reading/Math not assessed:**

Not in placement long enough

Behavior problems

Student's disabilities

Other

**Discharge date**

**Length of stay**

**EC Disability at Discharge:**

No-Did not meet criteria

No-Unable to complete assessment

Yes

**If EC at Discharge EC Disability:**

AU

DB

DF

DD

ED

HI

ID

MU

OI

OHI

SLD

SI

TBI

VI

**Discharge Reading Comprehension Score**

**% change in Score**

**Discharge Math Calculation Score**

**% change in Score**

**Discharge reading/math assessment not completed:**

Not in placement for a long enough time period

Placement ended without adequate notification

On-going behavior of client

Student Disabilities

Other

**Educational Placement at Discharge:**

Inpatient Psychiatric Hospital School

PRTF School

Day Treatment

Non Public Alternative school

Public Alternative School

Mainstream Public School

Charter School

Early College

GED Program

Home School

None/runaway

None/incarceration

None/drop out

Not identified due to placement ending without adequate notification  
Other

**Reason for Discharge**

Meet program goals as determined by treatment team  
Authorization ended by MCO – treatment team did not agree goals were met  
Runaway  
Incarceration  
Parent/Legal Guardian withdrew

# Updates