



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

AUG 31 2004

Honorable Rita H. Inos  
Commissioner of Education  
CNMI Public School System  
P.O. Box 501370CK  
Saipan, MP 96950

Dear Commissioner Inos:

We have determined that the Commonwealth of the Northern Mariana Islands' (CNMI) Eligibility Documents for Federal Fiscal Year (FFY) 2004, under Part B of the Individuals with Disabilities Education Act (IDEA), can be approved. Our determination that CNMI is eligible for approval is based upon CNMI's Eligibility Documents for FFY 2004 under Part B, submitted by CNMI to the Office of Special Education Programs (OSEP) on February 2, 2004, and the Eligibility Documents approved by OSEP in May 2003.

Please note that as part of your Eligibility Document Submission for FFY 2004, CNMI has made an assurance, under 34 CFR §80.11(c), that it will comply with all applicable Federal statutes and regulations in effect with respect to periods for which it receives grant funding. Any changes made by CNMI after OSEP approval, to information that is part of CNMI's eligibility documentation, must meet the public participation requirements of the IDEA and must be approved by OSEP before implementation.

CNMI's FFY 2004 IDEA Part B grant award is being released subject to the special conditions identified in the U.S. Department of Education's August 11, 2004 letter to CNMI regarding the Single Audit Act (copy enclosed) that are being imposed pursuant to the Department's authority in 34 CFR §80.12. The following special conditions will apply to the unexpended portion of the FFY 2003 Part B grant:

1. **Single Audits and Reports:** CNMI shall continue to conduct single audits and submit reports on an annual basis in a timely and complete manner. All single audits shall be completed and the reports published within nine months after the end of each fiscal year, as required by the Single Audit Act of 1984, as amended. If, for any reason, CNMI or CNMI DOE expects an audit or report to be delayed and late, it shall notify the Department's contact as soon as possible.
2. **Updates on CNMI Web Site:** CNMI DOE shall continue to post information regarding its budget, application and reports on its website for access by the general public.

- 3. Reporting Requirements:** CNMI DOE shall continue to provide a detailed report on a biennial basis that describes its administration of program funds, including expenditures, and progress for each significant aspect of the programs at the district and State levels. Specifically, CNMI DOE shall also demonstrate how it is addressing the repeat audit findings associated with monitoring and evaluating Department programs, and tracking of property purchased with Department funds. These reports shall be signed by the authorized official of CNMI DOE and submitted to the Department no later than thirty days after the end of each 6-month period (for example, the first half of the year ends on December 31, 2004, therefore the report will be due January 31, 2005). If a report is not timely or is not considered acceptable by the Department, i.e., does not contain enough information to demonstrate progress, after consultation with CNMI DOE, the Department may restrict the amount of grant funds that can be drawn down until sufficient documentation is provided.

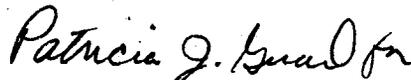
Enclosed is a grant award for funds currently available under the Department of Education FFY 2004 Appropriations Act for Part B of Section 611 (Grants to States). These funds are for use primarily in school year 2004-2005 and are available for obligation by States from July 1, 2004 through September 30, 2006.

The funding formula for the Section 611 program is the same as was implemented for FFY 2000. Subject to certain maximum and minimum funding requirements, allocations are based on the amount each Part B grantee received from FFY 1999 funds, the general population in age range for which each Part B grantee ensures a free appropriate public education (FAPE) to all children with disabilities, and the number of children living in poverty in the age range for which each State ensures FAPE to all children with disabilities.

Enclosure A provides a short description of how Section 611 funds were allocated and how those funds can be used. In addition, Table I in Enclosure A shows funding levels for distribution of Section 611 funds.

We appreciate your ongoing commitment to the provision of quality educational services to children with disabilities.

Sincerely,



Stephanie S. Lee  
Director  
Office of Special Education Programs

Enclosures

cc: Ms. Joanne Nicholls