



UNITED STATES DEPARTMENT OF EDUCATION

OFFICE OF SPECIAL EDUCATION AND REHABILITATIVE SERVICES

JUL - 1 2005

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

Dear Commissioner Inos:

This is to inform you that we have conditionally approved the Commonwealth of the Northern Mariana Islands' (CNMI) Eligibility Documents, including assurances and certifications, for Federal Fiscal Year (FFY) 2005 under Part B of the Individuals with Disabilities Education Act (IDEA). Our determination that you are eligible for conditional approval is based on our receipt of CNMI's application submitted by the CNMI Public School System (PSS) to the U.S. Department of Education, Office of Special Education Programs (OSEP), on April 28, 2005, and amended June 10, 2005 (Use of Funds) and on June 29, 2005 (Assurances) in which it assures that it will:

1. Operate consistent with all requirements of PL 108-446 and applicable regulations; and
2. Make such changes to existing policies and procedures as are necessary to bring those policies and procedures into compliance with the requirements of Part B of the IDEA, as amended, as soon as possible, and not later than July 1, 2006. Section II of CNMI's application (which is incorporated by reference and enclosed with this grant letter) identifies the IDEA statutory sections for which CNMI needs to amend policies and procedures and the timelines by which CNMI will amend its policies and procedures in order to comply with Part B of the IDEA. Within Section II, CNMI has included the date by which it expects to complete necessary changes associated with any policies and procedures that are not yet in compliance with the requirements of Part B of the IDEA, as amended.

In addition, CNMI's Part B grant award is being released subject to the special conditions identified in the U.S. Department of Education's June 23, 2005 letter to CNMI regarding the Single Audit Act (copy enclosed) that are being imposed pursuant to the Department's authority under 34 CFR §80.12. The following special conditions will apply to the unexpended portions of the FFY 2003 and FFY 2004 Part B grants:

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 PSS expects an audit or report to be delayed and late, it shall notify the Department's contact person of the reason and extent of the delay as soon as possible.
2. Updates on CNMI Web Site: CNMI PSS shall continue to post information regarding its budget, applications and reports on its website for access by the general public.
3. Reporting Requirements: CNMI PSS shall continue to provide a detailed report on a biennial basis that describes its administration of program funds, including expenditures, and progress

of each significant aspect of the programs at the district and State levels. Specifically, CNMI PSS 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 PSS and submitted to the Department no later than thirty days after the end of each 6-month period. 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 PSS, the Department may restrict the amount of grant funds that can be drawn down until sufficient documentation is provided.

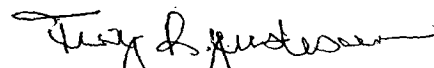
Please note that as part of your Eligibility Documents for FFY 2005, CNMI has made an assurance, under 34 CFR §80.11(c), that it will comply with all applicable Federal statutes and regulations in effect with respect to the periods for which it receives grant funding. Any changes made by CNMI, after OSEP approval, to policies and procedures needed to comply with Part B of the IDEA, must meet the applicable public participation requirements, including those in 20 U.S.C. 1232d(b)(7).

Enclosed is a grant award for funds currently available under the Department of Education FFY 2005 Appropriations Act for the Part B Section 611 (Grants to States) program. These funds are for use primarily in school year 2005-2006 and are available for obligation by States from July 1, 2005 through September 30, 2007.

Enclosure B provides a short description of how Section 611 funds were allocated and how those funds can be used. In addition, Table I in Enclosure B shows funding levels for distribution of Section 611 funds and the parameters for within-State allocations. Table II in Enclosure B shows State-specific information for within-State distribution of 611 funds based on a State's application. If you disagree with the information in Enclosure B Table II, notify your State contact immediately.

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

Sincerely,



Troy R. Justesen  
Acting Director  
Office of Special Education  
Programs

Enclosures

cc: Ms. Joanne Nicholls  
State Director of Special Education