Honorable Juan Flores  
Superintendent of Education  
Department of Education  
Post Office Box DE  
Hagåtña, Guam 96932

Dear Dr. Flores:

We have determined that Guam's application for Federal Fiscal Year (FFY) 2004 funds, under Part C of the Individuals with Disabilities Education Act (Part C), can be approved. Therefore, I am enclosing Guam's Part C grant award.

The approval is based upon our receipt of required assurances for FFY 2004. This includes the assurance from the Department of Education that the State-wide system of early intervention services required by Part C and its implementing regulations is in effect.

Guam's FFY 2004 IDEA Part C grant award is being released subject to special conditions identified in the U.S. Department of Education’s September 30, 2004 letter to Guam regarding the Single Audit Act (copy enclosed) that are being imposed pursuant to the Department’s authority in 34 CFR §80.12. The special conditions associated with the high-risk designation that remain in effect while the Guam Department of Education (GDOE) continues to address the Department’s remaining fiscal and programmatic concerns include the following: (1) the timely completion of single audits; (2) reliance upon the expertise of an Oversight Agent; (3) submission of detailed quarterly reports; and (4) monthly posting of budget and expenditure information on the GDOE’s website.

This year, a number of States have either established systems of payments or are considering establishing or revising their systems of payments. Under 34 CFR §303.173(a), each State’s Part C application must include the State’s policies and procedures that identify: (1) how it will pay for early intervention services (under 34 CFR §303.520(a)); (2) any system of payments that the State chooses to establish (under 34 CFR §303.521(a)); and (3) all funding sources (under 34 CFR §303.522). Although a State is not required under Part C to access public and private insurance available to a family, if a State requires parents under Part C to access their public and/or private insurance, the State must include this information in its Part C application as well as an assurance, under 34 CFR §303.520(b)(3)(ii), that the inability of a parent to pay will not result in the denial of any service under Part C.

States must ensure that all of the functions and early intervention services under 34 CFR §303.521(b) are carried out at public expense (i.e., no cost to the family). Additionally, under 34 CFR §303.521(c), States that provide children with disabilities under age 3 with a free appropriate public education (FAPE) under State law (i.e., birth-mandate States) must ensure that no fees are charged for the FAPE services provided to these children and their families. If a
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State has a system of payments under 34 CFR §303.521(a), any parent fees collected (for co-payments or other fees for services charged and received by the State’s Part C program) are "program income" under 34 CFR §80.25. Program income is not included as part of total "State and local expenditures" for purposes of a State’s meeting the non-supplanting requirements under Part C at 20 U.S.C. §1437(b)(5)(B) and 34 CFR §303.124.

The enclosed grant award for FFY 2004 is made with the continued understanding that this Office may, from time to time, require clarification of information within your application and appendices, if necessary. These inquiries are needed to allow us to appropriately carry out our administrative responsibilities related to Part C.

We appreciate your ongoing commitment to the provision of quality early intervention services to infants and toddlers with disabilities and their families.

Sincerely,

Stephanie Smith Lee
Director
Office of Special Education Programs

Enclosures

cc: Cathy Tydingco
Part C Coordinator