



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

JUL - 1 2011

Honorable Nerissa Bretania Underwood
Superintendent of Education
Guam Department of Education
Post Office Box DE
Hagatna, Guam 96932

Dear Superintendent Bretania Underwood:

We have approved Guam's application for Federal Fiscal Year (FFY) 2011 funds, under Part C of the Individuals with Disabilities Education Act (IDEA Part C). Our approval is based on our review of the application, submitted by the Guam Department of Education (GDOE) to the U.S. Department of Education, Office of Special Education Programs (OSEP), on May 4, 2011 and June 3, 2011, including the policies, procedures, methods, descriptions, assurances, and certifications identified in Section II, which is incorporated by reference to this letter as Enclosure A. This includes the assurance from the GDOE that the statewide system of early intervention services required by IDEA Part C under 20 U.S.C. 1431 through 1444 and applicable regulations in 34 CFR Part 303 is, and will remain, in effect throughout the FFY 2011 grant period.

Guam's FFY 2011 IDEA Part C grant award is being released subject to the Department-wide Special Conditions included in the U.S. Department of Education's (Department's) June 15, 2011 letter to Guam regarding the Single Audit Act, which is Enclosure B to this grant letter. These Special Conditions are imposed pursuant to the Department's authority in the Education Department General Administrative Regulations (EDGAR) in 34 CFR §80.12, which identifies the standard for high risk grantees, to ensure fiscal accountability of all Department funds awarded to GDOE, including the IDEA Part C FFY 2011 grant funds. On September 13, 2010, GDOE entered into a contract with a third-party fiduciary agent, Alvarez & Marsal, LLC (A&M), which contract was approved by the Department and required by section II.A of the FFY 2009 Amended Special Conditions imposed on all FFY 2009 Department grants awarded to GDOE.

Under the FFY 2011 Special Conditions in Enclosure B to this letter, GDOE must maintain this contract with A&M, and A&M must perform the financial management duties previously performed by GDOE and which duties are required under the applicable EDGAR provisions in 34 CFR Parts 75, 76, and 80, for all grants awarded by the Department to GDOE on or after the date of these conditions, and for all grants previously awarded by the Department to GDOE that are still available for obligation or liquidation on the date of these special conditions, and under the terms and conditions specified in this IDEA Part C FFY 2011 grant award.

The FFY 2011 Special Conditions in Enclosure B describe the responsibility of GDOE to work with A&M, as well as the role and responsibilities of A&M in administering Department grant funds. They also require GDOE to: 1) revise its Comprehensive Corrective Action Plan (CCAP) and the process for reporting progress under the CCAP; 2) report to the Department on a

quarterly basis on its progress in implementing measures under the CCAP; and 3) develop and implement a Financial Management Improvement Plan and a Financial Management Improvement System to enable it to properly manage the fiscal aspects of its Department grant funds in accordance with Federal requirements. By accepting the enclosed grant award, GDOE expressly agrees to comply with the Special Conditions identified in Enclosure B.

Please note that as part of Guam's application for FFY 2011, Guam has made an assurance, pursuant to 34 CFR §80.11(c), that it will comply with all applicable Federal statutes and regulations in effect during the FFY 2011 grant period. Before adopting a new or revised IDEA Part C policy or procedure that is required under Section II.A of Guam's FFY 2011 application, Guam must subject those policies and procedures to the public participation requirements in 34 CFR §§303.110 through 303.113 and receive OSEP approval for them prior to their implementation.

Enclosed is Guam's FFY 2011 grant award for funds currently available under the Department of Defense and Full-Year Continuing Appropriations Act, 2011 -- P.L. 112-10 for the IDEA Part C program. These funds are available for obligation by States from July 1, 2011 through September 30, 2013 in accordance with 34 CFR §76.709.

Section 604 of the IDEA provides that "[a] State shall not be immune under the 11th amendment to the Constitution of the United States from suit in Federal court for a violation of this [Act]." Section 606 provides that each recipient of assistance under IDEA make positive efforts to employ and advance in employment qualified individuals with disabilities in programs assisted under the IDEA. Therefore, by accepting this grant, Guam is expressly agreeing as a condition of IDEA funding to a waiver of Eleventh Amendment immunity and to ensuring that positive efforts are made to employ and advance employment of qualified individuals with disabilities in programs assisted under the IDEA.

The enclosed grant award of FFY 2011 funds is made with the continued understanding that this Office may, from time to time, require clarification of information within your application, if necessary. These inquiries may be necessary to allow us to appropriately carry out our administrative responsibilities related to IDEA Part C.

As a reminder, within 30 days of July 1, 2011, all prime recipients of IDEA (Part B or Part C) funds, must report subaward information as required by the Federal Financial Accountability and Transparency Act of 2006 (FFATA), as amended in 2008. FFATA guidance is found at <http://www2.ed.gov/policy/gen/leg/recovery/rms-web-conferences.html>. Please contact your State's Recovery Act Facilitator if you have further questions.

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

Sincerely,

A handwritten signature in black ink, appearing to read "Melody Musgrove", with a long horizontal flourish extending to the right.

Melody Musgrove, Ed.D.
Director
Office of Special Education Programs

Enclosure

Enclosure A

Enclosure B

cc: Part C Coordinator