



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

July 1, 2013

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

Dear Commissioner Sablan:

We have approved the Commonwealth of the Northern Mariana Islands' (CNMI) application for Federal Fiscal Year (FFY) 2013 funds under Part B of the Individuals with Disabilities Education Act (IDEA Part B). Our approval is based on our review of the application submitted by the CNMI Public School System (PSS) to the U.S. Department of Education (Department), Office of Special Education Programs (OSEP), on April 25, 2013, including the assurances provided in Section II and incorporated by reference to this letter as noted in Enclosure A. In addition, with regard to Assurance 12 relating to the requirements in 20 U.S.C. §1412(a)(12)(A)-(C) and 34 CFR §300.154, CNMI provided a specific assurance that it will:

1. Operate consistently with IDEA Part B 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 IDEA Part B as soon as possible, and not later than June 30, 2014. Within Section II of its application, CNMI has included, for Assurance 12, the date by which it expects to complete necessary changes to any policies and procedures that are not yet in compliance with the requirements of 20 U.S.C. §1412(a)(12)(A)-(C) and 34 CFR §300.154.

CNMI checked no to Assurance 12, because CNMI does not yet have policies and procedures in place to meet the new requirements related to children with disabilities who are covered by public benefits or insurance (e.g., Medicaid), resulting from the amendments to 34 CFR §300.154(d)(2)(iv) and (v), which the Department published in the *Federal Register* on February 14, 2013. See 78 Fed. Reg. 10525, 10537-38. These final regulations became effective on March 18, 2013. OSEP required States to submit their applications for their Part B FFY 2013 grant awards on May 10, 2013. However, 34 CFR §76.704(b) provides that a State plan (in this case, the Part B application) must meet the requirements that were in effect for the program three months before the application due date (in this case, February 10, 2013) and any additional requirements known on that date that are scheduled to become effective by the expected grant award date (for most States, July 1, 2013). Ordinarily, States that check no to any assurance in Section II.A receive a conditional approval, but the new requirements in 34 CFR §300.154, which caused CNMI to check no to Assurance 12, were not published in the *Federal Register* as final regulations three months prior to May 10, 2013, the submission due date of your Part B application. CNMI has assured that it will operate consistent with all requirements in 20 U.S.C. §1412(a)(12)(A)-(C) and 34 CFR §300.154 during the period of your FFY 2013 Part B grant award, and will make such changes to existing policies and procedures as are necessary to bring those policies and procedures into compliance with the requirements of the IDEA, as amended, as soon as possible, and not later than June 30, 2014. Further, CNMI has checked yes to every

other assurance in Section II.A. Therefore, we have fully approved CNMI's Part B grant application for FFY 2013.

CNMI's FFY 2013 IDEA Part B grant is also subject to Special Conditions identified in the Department's June 13, 2013 letter to CNMI, which is Enclosure C to this grant letter and which is expressly incorporated into the terms of CNMI's FFY 2013 IDEA Part B grant. By accepting the enclosed grant award, CNMI expressly agrees to comply with the terms identified in Enclosure C, which imposes Special Conditions to ensure continued fiscal accountability of Department grant funds awarded to CNMI, including the IDEA Part B FFY 2013 grant funds.

Please note that as part of your application for FFY 2013, CNMI 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 2013 grant period. Any changes made by CNMI, after OSEP approval, to information that is a part of CNMI's application, must meet the public participation requirements in 34 CFR §300.165.

Enclosed is CNMI's FFY 2013 grant award for funds currently available under the Consolidated and Further Continuing Appropriations Act, 2013 -- P.L. 113-6 for the IDEA Part B Section 611 (Grants to States) program. These funds are available for obligation by CNMI from July 1, 2013 through September 30, 2015 in accordance with 34 CFR §76.709.

The amount shown in your award for the Section 611 program is only part of the total funds that will be awarded to you for FFY 2013. Of the \$10,974,865,803 appropriated for Section 611 in FFY 2013, \$1,691,482,803 is available for awards on July 1, 2013, and \$9,283,383,000 will be available for awards on October 1, 2013. Under the Section 611 formula, in a year in which the amount available for allocations to States decreases from the prior year, but is greater than the 1999 level, any amount available for allocations to States above the 1999 level is allocated based on the relative increases in funding that the States received between 1999 and the prior year.

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.

The enclosed grant award of FFY 2013 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 B.

In Section V of its IDEA Part B application, pursuant to the authority in IDEA section 618(a)(3), CNMI was required to submit data on the total amount of CNMI's State financial support made available for special education and related services for children with disabilities in State fiscal year (SFY) 2011 and SFY 2012. If OSEP receives information through audits, fiscal monitoring or other means that raises questions about the data CNMI has provided in Section V, OSEP will follow-up with CNMI.

As a reminder, all prime recipients of IDEA (Part B or Part C) funds, must report subaward information as required by the Federal Funding Accountability and Transparency Act of 2006 (FFATA), as amended in 2008. First-tier subaward information must be reported by the end of

the following month from when the award was made or obligated. FFATA guidance is found at <http://www2.ed.gov/policy/gen/leg/recovery/rms-web-conferences.html>. Please contact your State's Fiscal Accountability Facilitator if you have further questions.

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

Sincerely,

A handwritten signature in black ink, appearing to read "Melody Musgrove". The signature is fluid and cursive, with a long horizontal line extending to the right.

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

Enclosures

Enclosure A
Enclosure B
Enclosure C

cc: Director of Special Education