



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

July 1, 2015

Honorable Wayne Mendiola  
Acting Secretary  
Department of Education  
Federated States of Micronesia  
P.O. Box PS 87  
Paliker, Pohnpei State  
FM 96941

Dear Acting Secretary Mendiola:

We have approved Federated States of Micronesia's (FSM) application for Federal Fiscal Year (FFY) 2015 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 FSM to the U.S. Department of Education (Department), Office of Special Education Programs (OSEP), on May 11, 2015 including the assurances provided in Section II and incorporated by reference to this letter as noted in Enclosure A.

In a memorandum dated June 26, 2015, FSM provided a specific assurance that it will, consistent with existing practice, submit foreign travel requests to OSEP 60 days prior to the start of foreign travel using IDEA funds. The requests for foreign travel will include the following information: (1) Information related to the person(s) traveling, including name(s), job title(s), and relevant information related to job duties and role with within the FAS; (2) a description of the destination and purpose of the travel, and any related supporting documentation (e.g., conference information, agendas); (3) A description of the travel costs, and any supporting documentation related to them (e.g., documents related to transportation, lodging, per diem costs); (4) an explanation of how the travel enhances the FAS' capacity to provide a free and appropriate public education.

Please note that as part of your application for FFY 2015, FSM provided a certification, pursuant to 34 CFR §76.104, that its application meets the requirements of IDEA Part B and that FSM will operate its Part B program in accordance with all of the required assurances and certifications. Any changes made by FSM, after OSEP approval, to information that is a part of a State's application, must meet the public participation requirements in 34 CFR §300.165.

Enclosed is FSM's FFY 2015 grant award for funds currently available under the Consolidated and Further Continuing Appropriations Act, 2015, P.L. 113-235, for the IDEA Part B Section 611 (Grants to States) program. These funds are available for obligation by States from July 1, 2015, through September 30, 2017, 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 2015. Of the \$11,497,848,000 appropriated for Section 611 in FFY 2015, \$2,214,465,000 is available for awards on July 1, 2015, and \$9,283,383,000 will be available for awards on October 1, 2015. Under the Section 611 formula, in a year in which the

400 MARYLAND AVE., SW, WASHINGTON, DC 20202  
[www.ed.gov](http://www.ed.gov)

amount available for allocations to States increases from the prior year, subject to certain maximum and minimum funding requirements, State allocations are based on the amount that each State received from FFY 1999 funds, the general population in the age range for which each State 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.<sup>1</sup>

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 2015 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), FSM was required to submit data on the total amount of State financial support made available for special education and related services for children with disabilities in State fiscal year (SFY) 2013 and SFY 2014. If OSEP receives information through audits, fiscal monitoring or other means that raises questions about the data FSM has provided in Section V, OSEP will follow-up with FSM.

Please note that effective with this IDEA Part B FFY 2015 grant award, IDEA Part B funds are subject to the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, codified in 2 CFR Part 200 and commonly referred to as the Uniform Guidance. The Uniform Guidance provisions in 2 CFR Part 200 replace provisions previously found in the Education Department General Administrative Regulations or EDGAR in 34 CFR Parts 74 and 80 and prior Office of Management and Budget (OMB) Circulars A-87 and A-133. Under 2 CFR §200.308(e), a State must obtain the prior approval of OSEP, by submitting a revised Section III (the Excel Interactive Spreadsheet), for a transfer of funds among direct cost categories, programs, or activities that exceed 10% of the total amount of funds reserved under IDEA section 611(e) for State-level activities or are expected to exceed 10% of that total, and the Federal share in the grant exceeds the Simplified Acquisition Threshold (currently set at \$150,000). This replaces a similar provision previously found in 34 CFR §80.30(c)(1). Please review the Department's technical assistance resources on the Uniform Guidance at <http://www2.ed.gov/policy/fund/guid/uniform-guidance/index.html>.

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].”

---

<sup>1</sup> The amount that a State's allocation may increase from one year to the next is capped at the amount the State received in the prior year multiplied by the sum of 1.5 percent and the percentage increase in the total amount appropriated for Part B of IDEA from the prior year. Additionally, the maximum amount that a State may receive in any fiscal year is calculated by multiplying the number of children with disabilities ages 3 through 21 served during the 2004-2005 academic year in that State by 40 percent of the annual per pupil expenditure (APPE), adjusted by the rate of annual change in the sum of 85 percent of the children aged 3 through 21 for whom that State ensures FAPE and 15 percent of the children living in poverty. Because there are multiple caps, in any year the “effective cap” on a State's allocation is the lowest cap for that State.

Section 606 provides that each recipient of assistance under the 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, your State 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.

As a reminder, all prime recipients of IDEA Part B 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,

/s/ Melody Musgrove

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

Enclosures

Enclosure A

Enclosure B

cc: State Director of Special Education