



Enclosure B
UNITED STATES DEPARTMENT OF EDUCATION
OFFICE OF THE DEPUTY SECRETARY

June 25, 2018

Acting Commissioner Glenn Muna
Commonwealth of the Northern Mariana Islands Public School System
Capitol Hill Building #1211
PO BOX 501370
Saipan, MP 96950

Dear Acting Commissioner Muna:

Attached are the specific conditions for grant awards made by the U.S. Department of Education (Department) to the Commonwealth of the Northern Mariana Islands Public School System (CNMI PSS) for Federal fiscal year (FFY) 2018. These specific conditions apply to all grants awarded by the Department to CNMI PSS on or after the date of these specific conditions. These specific conditions also apply to grant funds previously awarded by the Department to CNMI PSS that are still available for obligation or liquidation as of the date of these specific conditions.

Under the FFY 2015 specific conditions, CNMI PSS was required to develop, implement, and report on a corrective action plan (CAP) whose measures were to assist it in correcting certain deficiencies that the Department had identified in CNMI PSS' management and administration of Department grant funds. Based on the outcome of the Risk Management Service onsite visit in November 2015, the results of the single audits, and documentation of progress received from CNMI PSS in the CAP reports required by the FFY 2015 specific conditions, the FFY 2016 specific conditions were modified. Under the FFY 2016 and FFY 2017 specific conditions, CNMI PSS was not required to maintain and report on a CAP, but it was required to submit a biannual report providing updates on its administration of Department grant funds, with an emphasis on areas of repeat audit findings. Under the FFY 2018 specific conditions, the Department is continuing to require CNMI PSS to submit a biannual report providing updates on its administration of Department grant funds, with an emphasis on areas of repeat audit findings. However, should appropriate corrective actions cease or fiscal or program accountability problems recur in the future, the Department reserves the right to take appropriate actions, which include: designating CNMI PSS a "high-risk" grantee under the authority of 2 CFR §§ 200.207 and 3474.10 and imposing additional specific conditions on CNMI's grant awards.

We are pleased with the progress that CNMI PSS continues to make to improve its programmatic and fiscal accountability for Department grant awards and are hopeful that CNMI PSS will sustain its progress.

400 MARYLAND AVE., S.W., WASHINGTON, DC 20202
www.ed.gov

The Department of Education's mission is to promote student achievement and preparation for global competitiveness by fostering educational excellence and ensuring equal access.

If you have any questions or require further assistance, have your staff contact Christine Jackson, the primary contact for CNMI PSS at the Risk Management Service within the Office of the Deputy Secretary, at (202) 245-8276 or via e-mail at christine.jackson@ed.gov.

We look forward to continuing to work with you to improve the delivery of Federal education services to the children in the CNMI.

Sincerely,

Margo Anderson
Director
Risk Management Service
Office of the Deputy Secretary

cc: Governor Ralph Deleon Guerrero Torres
Marylou Ada, Chairperson, Board of Education
Tim Thornburgh, Federal Programs Administrator

Enclosure

Commonwealth of the Northern Mariana Islands Public School System (CNMI PSS)
Specific Conditions
Federal Fiscal Year (FFY) 2018

1. **Single Audits and Reports:** CNMI PSS shall continue to conduct single audits and submit reports to the Department 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 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 on its website information regarding its budget, grant applications, and biannual reports submitted to the Department under these specific conditions to provide for access by the general public.
3. **Reporting Requirements:** CNMI PSS shall submit to the Department, on a biannual basis, a report that describes how it is continuing to improve its management and administration of Department grants. In particular, these reports shall demonstrate how CNMI PSS is addressing repeat audit findings associated with compliance with both procurement and travel policies. The reports shall be signed by the authorized official of CNMI PSS and submitted to the Department no later than January 15, 2019, for the period covering July 1, 2018 –December 31, 2018; and July 15, 2019 for the period covering January 1, 2019 –June 30, 2019.

The biannual reports should be submitted by CNMI PSS to:

Christine Jackson
Senior Risk Consultant
Risk Management Service
Office of the Deputy Secretary
550 12th Street, SW
PCP, Room 11064
Washington, DC 20202

4. **Reconsideration and Modifications:** At any time, CNMI PSS may request reconsideration of the above specific conditions by contacting the Department contact named above in paragraph 3 of these conditions, and stating in writing the reasons why CNMI PSS believes any particular condition should be amended or removed. Additionally, the Department may impose additional specific conditions or modify these specific conditions as appropriate. The Department will remove the specific conditions at such time as CNMI PSS fully demonstrates, to the Department's satisfaction, that the issues that led to the additional reporting requirements imposed on CNMI PSS have been addressed in compliance with applicable Federal requirements concerning accountability and grants management.

Dated: June 25, 2018