



**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
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HANNA SKANDERA
SECRETARY OF EDUCATION

SUSANA MARTINEZ
GOVERNOR

July 10, 2011

Ms. Cynthia Nava
Superintendent
Gadsden Independent Schools
P.O. Drawer 70
Anthony, NM 88021

Dear Superintendent Nava:

Under the leadership of Governor Susana Martinez and myself, we are committed to partnering together to protect classroom spending, establish strong fiscal and academic accountability for our schools and yield a smarter return on taxpayers' investment in education. We appreciate the effort and thought that went into your district's budget to help achieve these goals and preserve the integrity of programs for your students.

With regard to our special education program, the review process for the Individuals with Disabilities Education Act Part B (IDEA-B) annual sub-grant application has been completed by the Special Education Bureau (SEB) of the New Mexico Public Education Department (NMPED). Based on our review, Gadsden Independent Schools' application and the district's grant for the 2011 – 2012 school year is considered substantially approvable in accordance with the Education Department General Administrative Regulations (EDGAR) at 34 CFR § 76.708.

Ninety five percent of the IDEA B Entitlement Fund (24106) and the IDEA B Preschool funds (24109) have been tentatively approved for Fiscal Year (FY) 2011-2012. The remaining funds (5%) will be made available after October 1, 2011. Based on available funding and the application submitted, the following award(s) are being made to Gadsden Independent Schools are as follows:

Grant Name	UCOA Fund Code	Award
IDEA B Entitlement	24106	\$ 3,323,839
IDEA B Preschool	24109	\$ 76,859
IDEA B Reallocation	24120	\$ 25,628
Coordinated Early Intervening Services (if applicable)	24112	\$ 473,647
Private School Proportionate Share	24115	\$ 0

Funding under this award must be used consistent with the applicable provisions of IDEA-B, as follows:

- Must be used only to pay the excess costs of providing special education and related services to children with disabilities;
 - Must be used to supplement State, local and other Federal funds and not to supplant such funds; and
 - Must not be used to reduce a Local Educational Agency's (LEA) Maintenance of Effort (MOE) for the education of children with disabilities below the preceding year's level except as allowed by 34 CFR §§ 300.204 and 205.
- [20 U.S.C. 1413(a)(2)(A), 34 CFR § 300.202]

If you have questions about how to determine what costs are allowable under the law, please see the Office of Management and Budget (OMB) Circular A-87. It can be accessed at http://webcache.googleusercontent.com/search?q=cache:4DCAloeto_oJ:www.whitehouse.gov/omb/circulars_a087_2004+omb+circular+a-87&cd=1&hl=en&ct=clnk&gl=us&source=www.google.com.

Since the district's sub-grant was considered substantially approvable, funds cannot be transferred from one fund code to another or between function codes without submitting an amended sub-grant, which includes the required signatures, and a Budget Adjustment Request. Funds can never be transferred out of the private school's proportionate share or mandatory CEIS fund codes and will carry over the next year in the same fund code.

With prior written approval from the SEB, up to 15% of your IDEA-B funding may be budgeted for voluntary Coordinated Early Intervening Services (CEIS) under fund code 24112 (objective 4 of the sub-grant application). In order to utilize these funds for CEIS, your district must submit a written plan to the SEB for written approval in order to use the IDEA funds for non-special education students to the SEB for written approval. Funds must be utilized only in accordance with 34 CFR § 300.226. Non-special education students who receive CEIS must be reported in the Student Teacher Accountability Reporting System (STARS) by their unique identification number for the current school year and the two subsequent school years, unless the student is no longer in the district's educational jurisdiction. All districts who utilize CEIS funds along with the number of students who received the services and whether or not the students were referred for special education and related services, must be reported by the NMPED to the U.S. Department of Education Office of Special Education Programs (OSEP) on an annual basis. Therefore accurate and reliable record keeping at the district level is essential.

If you have a private school within your educational jurisdiction, you were required to allocate Private School Proportionate Share allocations in accordance with 34 CFR § 300.133. This is to be budgeted under fund code 24115 (objective 7 of the local application).

These funds must be expended in accordance with 34 CFR §§ 76.708 – 76.710 and will be reimbursed upon submission and NMPED approval of a request for reimbursement. Any remaining award balance in your current sub-grant not expended by June 30, 2011 will be calculated by the Fiscal Flowthrough Bureau as carryover for FY 2010-2011. Carryover memos will be distributed by October 1, 2011 to eligible entities. Districts must budget the proportionate share of carryover for parentally placed private school students (24115) in accordance with 34 CFR § 300.133(a)(3). In addition, those funds set aside for mandatory CEIS due to significant disproportionality must remain in the appropriate fund code (24112) for the carry over period.

If this final award does not reflect the initial budget authority that may have already been authorized, please submit an electronic Budget Adjustment Request (BAR) utilizing the NMPED Operating Budget Management System (OBMS) website. The Flow-through BAR process is located on the NMPED website at http://obms.ped.state.nm.us/ped_obms/. When submitting your district's electronic BAR to

bring the district's budget authority in alignment with this award letter, please use the fund codes identified above and revenue code **44500**. Should you have any questions please feel free to contact:

Mr. Francis Chang
Business Operations Specialist
Special Education Bureau
120 South Federal Place, Room 206
Santa Fe, NM 87501
francis.chang@state.nm.us
(505) 827 - 1459

Thank you for your cooperation in completing the IDEA B Sub-grant Application in a timely manner. The SEB looks forward to working with the district in the coming year to improve outcomes for New Mexico's students receiving special education services and related services.

Warm regards,



Hanna Skandera
Secretary-designate, New Mexico Public Education Department

cc: Mr. Paul Aguilar, Deputy Secretary, Finance and Operations
Ms. Denise Koscielniak, Special Education Director, Special Education Bureau
Ms. Susan Lucero, Manager, Flow-through Bureau
Ms. Selma Nevarez, Special Education Director, Gadsden Independent Schools
Business Manager, Gadsden Independent Schools