

Non-appropriated Fund Instrumentalities; DoD Instruction 1015.2, Military Morale, Welfare and Recreation (MWR); and E.O. 9397 (SSN).

PURPOSE(S):

To administer programs devoted to the mental and physical well-being of Army personnel and other authorized users; to document the approval and conduct of specific contests, shows, entertainment programs, sports activities/competitions, and other MWR-type activities and events sponsored or sanctioned by the Army.

Information will be used to market and promote similar MWR type activities conducted by other DoD organizations.

To provide a means of paying, recording, accounting reporting, and controlling expenditures and merchandise inventories associated with bingo games.

ROUTINE USES OF RECORDS MAINTAINED IN SYSTEM, INCLUDING CATEGORIES OF USERS AND THE PURPOSES OF SUCH USES:

In addition to those disclosures generally permitted under 5 U.S.C. 552a(b) of the Privacy Act, these records or information contained therein may specifically be disclosed outside the DoD as a routine use pursuant to 5 U.S.C. 552(b)(3) as follows:

To the Internal Revenue Service to report all monies and items of merchandise paid to winners of games whose one-time winnings are \$1,200 or more.

The DOD 'Blanket Routine Uses' set forth at the beginning of the Army's compilation of systems of records notices also apply to this system:

POLICIES AND PRACTICES FOR STORING, RETRIEVING, ACCESSING, RETAINING, AND DISPOSING OF RECORDS IN THE SYSTEM:

STORAGE:

Paper records in file folders, cards, magnetic tapes, discs, computer printouts, and electronic storage media.

RETRIEVABILITY:

By name and Social Security Number.

SAFEGUARDS:

Records are kept in buildings secured during non-duty hours and accessed by only designated persons having official need therefor.

RETENTION AND DISPOSAL:

Bingo records are maintained on-site for four years and then shipped to a Federal Records Center for storage for an additional three years. After seven years, records are destroyed. All other documents as destroyed after 2 years, unless required for current operation.

SYSTEM MANAGER(S) AND ADDRESS:

Commander, U.S. Army Community and Family Support Center, 4700 King Street, Alexandria, VA 22302-4414.

NOTIFICATION PROCEDURE:

Individuals seeking to determine whether information about themselves is contained in this system should address written inquiries to the Director of Community Activities at the installation or activity where assigned.

Individuals must provide name, rank, Social Security Number, proof of identification, and any other pertinent information necessary.

RECORD ACCESS PROCEDURES:

Individuals seeking access to information about themselves contained in this system should address written inquiries to the Director of Community Activities at the installation of activity where assigned.

Individuals must provide name, rank, Social Security Number, proof of identification, and any other pertinent information necessary.

CONTESTING RECORD PROCEDURES:

The Army's rules for accessing records, and for contesting contents and appealing initial agency determinations are contained in Army Regulation 340-21; 32 CFR part 505; or may be obtained from the system manager.

RECORD SOURCE CATEGORIES:

From the individual or group receiving the service and bingo pay-out control sheets.

EXEMPTIONS CLAIMED FOR THE SYSTEM:

None.

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DEPARTMENT OF EDUCATION

Office of Elementary and Secondary Education; Intent to Repay to the State of Maine Department of Education Funds Recovered as a Result of a Final Audit Determination

AGENCY: Department of Education.

ACTION: Notice of intent to award grantback funds.

SUMMARY: Under section 459 of the General Education Provisions Act (GEPA) (20 U.S.C. 1234h), the Secretary of Education (Secretary) intends to repay to the State of Maine Department of Education (MDE), the State educational agency (SEA), an amount equal to 75 percent of the principal amount of funds returned to the U.S. Department of Education (Department)

as the result of final audit determinations. The Department's recovery of funds followed an audit disallowance issued by the Office of Elementary and Secondary Education under Chapter 1 of Title I of the Elementary and Secondary Education Act (ESEA) for the period July 1, 1991 through June 30, 1992. The MDE returned \$14,476 to the Department in settlement of the 1992 audit exception. This notice describes the MDE's plan for use of the repaid funds and the terms and conditions under which the Secretary intends to make those funds available. The notice invites comments on the proposed grantback.

DATES: All comments must be received on or before October 4, 2001.

ADDRESSES: All written comments should be addressed to Dr. Joseph F. Johnson, Jr., Director, Compensatory Education Programs, Office of Elementary and Secondary Education, U.S. Department of Education, 400 Maryland Avenue, SW., FOB-6, Room 3W220, Washington, DC 20202-6132.

FOR FURTHER INFORMATION CONTACT: S. Colene Nelson, Compensatory Education Programs, Office of Elementary and Secondary Education, U.S. Department of Education, 400 Maryland Avenue, SW., FOB-6, Room 3E335, Washington, DC 20202-6132. Telephone: (202) 260-0979. Individuals who use a telecommunications device for the deaf (TDD) may call the Federal Information Relay Service (FIRS) at 1-800-877-8339. Internet address: Colene.Nelson@ed.gov.

Individuals with disabilities may obtain this document in an alternate format (e.g. Braille, large print, audiotape, or computer disk) on request to the contact persons listed in the preceding paragraph.

SUPPLEMENTARY INFORMATION

A. Background

The Department has recovered \$14,476 from the MDE in settlement of a 1992 audit disallowance under Chapter 1 of Title I of the Elementary and Secondary Education Act (Chapter 1) (20 U.S.C. 2701 *et seq.* (1988)). Under Chapter 1, funds were awarded, through SEAs, to local educational agencies to improve the achievement of educationally deprived children attending high-poverty schools.

The auditors found that, during the year ending June 30, 1992, the salaries of two employees of the MDE's Division of Finance's grants management accounting staff were charged in full to the Chapter 1 program, but they did not spend their entire time on activities directly benefiting the Chapter 1

program. The auditors noted that provisions in the Office of Management and Budget (OMB) Circular A-87, Attachment B, section 10(b), required the salaries and wages of employees chargeable to more than one grant program or other cost objective to be supported by appropriate time distribution records. This resulted in questioned costs of \$29,484 to Chapter 1. The Department upheld the auditors' finding and required the MDE to repay the amount of \$29,484. The MDE appealed the determination and that appeal resulted in an agreement among the parties dated March 27, 1998 that reduced the questioned costs to \$14,476. The State of Maine has repaid this amount to the Department.

B. Authority for Awarding a Grantback

Section 459(a) of GEPA (20 U.S.C. 1234h) provides that, whenever the Secretary has recovered program funds following a final audit determination, the Secretary may consider those funds to be additional funds available for the program and may arrange to repay to the SEA or LEA affected by that determination an amount not to exceed 75 percent of the recovered funds. The Secretary may enter into this grantback arrangement if the Secretary determines that—

(1) The practices or procedures of the SEA or LEA that resulted in the audit determination have been corrected, and the SEA or LEA is, in all other respects, in compliance with the requirements of the applicable program;

(2) The SEA has submitted to the Secretary a plan for the use of the funds to be awarded under the grantback arrangement that meets the requirements of the program, and, to the extent possible, benefits the population that was affected by the failure to comply or by the misexpenditures that resulted in the audit exception; and

(3) Use of funds to be awarded under the grantback arrangement in accordance with the SEA's plan would serve to achieve the purposes of the program under which the funds were originally granted.

C. Plan for Use of Funds Awarded Under a Grantback Arrangement

Pursuant to section 459(a)(2) of GEPA, the MDE has applied for a grantback of \$10,857—75 percent of the principal amount recovered by the Department—and has submitted a plan for use of the grantback funds to meet the special educational needs of educationally deprived children in programs administered under Title I, Part A, of ESEA, the successor program to Chapter 1.

According to the plan, the MDE will use the grantback funds under Title I to arrange for technical assistance in early literacy strategies to staff in schools designated as priority schools or schools identified as needing improvement. Specifically, the MDE will contract with the Gorham School Department for the purpose of providing a distinguished educator to provide the following services to identified schools in the State: (1) Presentations on best practices in literacy; (2) sessions to facilitate priority school staff as they develop plans for school reform in literacy; and (3) training sessions on topics related to parent involvement. In addition, the distinguished educator will conduct sessions to assist MDE staff in developing strategies to implement the Maine Learning Results. The \$10,857 in grantback funds will be used to fund one-fifth of the distinguished educator's salary (\$9,500) and travel expenses for site visits (\$1,357).

D. The Secretary's Determination

The Secretary has carefully reviewed the plan submitted by the MDE. Based upon that review, the Secretary has determined that the conditions under section 459 of GEPA have been met. These determinations are based upon the best information available to the Secretary at the present time. If this information is not accurate or complete, the Secretary may take appropriate administrative action. In finding that the conditions of section 459 of GEPA have been met, the Secretary makes no determination concerning any pending audit recommendations or final audit determinations.

E. Notice of the Secretary's Intent to Enter Into a Grantback Arrangement

Section 459(d) of GEPA requires that, at least 30 days before entering into an arrangement to award funds under a grantback, the Secretary must publish in the **Federal Register** a notice of intent to do so, and the terms and conditions under which payment will be made.

In accordance with section 459(d) of GEPA, notice is hereby given that the Secretary intends to make funds available to the MDE under a grantback arrangement. The grantback award would be in the amount of \$10,857.

F. Terms and Conditions Under Which Payments Under a Grantback Arrangement Would Be Made

The MDE agrees to comply with the following terms and conditions under which payment under a grantback arrangement would be made:

(1) The funds awarded under the grantback must be spent in accordance with—

(a) All applicable statutory and regulatory requirements;

(b) The plan that the MDE submitted and any amendments to that plan that are approved in advance by the Secretary, and

(c) The budget that was submitted with the plan and any amendments to the budget that are approved in advance by the Secretary.

(2) All funds received under the grantback arrangement must be obligated by September 30, 2001, in accordance with section 459(c) of GEPA and the MDE's plan.

(3) The MDE will, not later than December 31, 2001, submit a report to the Secretary that—

(a) Indicates that the funds awarded under the grantback have been spent in accordance with the proposed plan and approved budget; and

(b) Describes the results and effectiveness of the project for which the funds were spent.

(4) Separate accounting records must be maintained documenting the expenditure of funds awarded under the grantback arrangement.

Electronic Access to this Document

You may review this document, as well as other Department of Education documents published in the **Federal Register**, in text or Portable Document Format (PDF) on the World Wide Web at the following site: <http://www.ed.gov/legislation/FedRegister>

To use the PDF you must first have the Adobe Acrobat Reader Program with Search, which is available free at the previous site. If you have any questions about using the PDF, call the U.S. Government Printing Office, toll free, at 1-888-293-6498; or in the Washington, DC area at (202) 512-1530.

(Catalog of Federal Domestic Assistance Number 84.012, Educationally Deprived Children—State Administration).

Dated: August 29, 2001.

Susan B. Neuman,

Assistant Secretary for Elementary and Secondary Education.

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