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July 18, 2018

The Honorable Betsy DeVos  
Secretary of Education  
U.S. Department of Education  
400 Maryland Avenue, SW  
Washington, DC 20202

The Honorable Frank Brogan  
Assistant Secretary of Elementary and  
Secondary Education  
U.S. Department of Education  
400 Maryland Avenue, SW  
Washington, DC 20202

Dear Secretary DeVos and Assistant Secretary Frank Brogan:

Thank you for accommodating my request and meeting today with leadership from the Guam Department of Education and the Guam Education Board, regarding the specific conditions Guam is required to meet in order to receive federal funding from the U.S. Department of Education. Your personal attention to this important issue for Guam students is much appreciated.

As discussed during the meeting, the Guam Department of Education (GDOE) has been designated as a “high-risk grantee” since 2003 with special/specific conditions imposed by the U.S. Department of Education to prevent future mismanagement of federal funding. In 2010, the Guam Department of Education was required to contract a third-party fiduciary agent to conduct annual audits and oversee financial management of federal grants, in order to continue to receive funding from the U.S. Department of Education. Retaining this third-party fiduciary at local expense diverts millions of Guam Department of Education dollars, which could be put to better use in our classrooms.

Each year, I work hard to secure Congressional appropriations for education programs that benefit Guam and the other territories. As such, I share the U.S. Department of Education’s commitment to ensuring that these federal funds are managed properly and used as intended to improve public education for Guam students. In the June 27 letter outlining the specific conditions for fiscal year 2018, your Department acknowledged the “progress that GDOE has made to address its financial management of Department funds.” GDOE has indeed made significant progress in recent years, which is why the Superintendent submitted a formal request for the U.S. Department of Education to reconsider the specific conditions this past May.

I fully support GDOE’s request and urge the U.S. Department of Education to provide a clear course or expected timeline for this reconsideration process, as required by federal regulations. I respectfully request that you respond to the following questions:

- Does the U.S. Department of Education have the legal authority to modify or rescind specific conditions imposed on the Guam Department of Education, prior to conclusion of the reconsideration process?

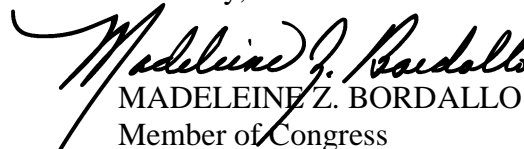
- Which individual at the U.S. Department of Education has final approval over the reconsideration process, including certifying its findings or recommendations?
- Which branch of the U.S. Department of Education is leading the reconsideration process? There have been questions as to the specific roles of the Risk Management Service, Office of the Chief Financial Officer, Office of the Inspector General, and Office of the General Counsel in this process.
- Can you please outline the anticipated milestones for the reconsideration process and when the Department expects to complete each milestone, understanding that those dates may change?
- Once completed, will the reconsideration process provide:
  - A full accounting for the Guam Department of Education’s compliance with each of the specific conditions and what additional controls, if any, GDOE must implement to come into full compliance with those conditions?
  - A detailed timeline for lifting or modifying the specific conditions, if justified by the reconsideration’s findings, or recommendations that such special conditions be lifted or modified?
  - Recommendations for what additional measures the Guam Department of Education must undertake to finally shed its “high-risk grantee” designation?
- Lastly, is the U.S. Department of Education willing to consider transferring select responsibilities from the third-party fiduciary to Guam Department of Education, before the reconsideration process is completed?

I hope that your Department will make every effort to complete the reconsideration process in an efficient and timely manner, as specified by federal regulation. I also hope that the U.S. Department of Education will work to remove unnecessary burdens placed on the Guam Department of Education, in recognition of their demonstrated progress and capacity to assume more responsibilities from the third-party fiduciary.

In my view, the U.S. Department of Education should embrace this opportunity to use the Guam Department of Education as a case study of successful turnaround. This would allow the Administration to achieve a result that has eluded two previous presidencies: restoring full local control and management of federal funding, as Congress always intended.

Thank you for your leadership at the U.S. Department of Education and consideration. I look forward to reviewing your responses.

Sincerely,

  
 MADELEINE Z. BORDALLO  
 Member of Congress

CC: Superintendent Jon Fernandez, Guam Department of Education  
 Chairman Mark B. Mendiola, Guam Education Board