

Congress of the United States
House of Representatives
Washington, DC 20515-990

July 30, 2020

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 Brogan:

Thank you for your continued support and effort to help expedite the process for reconsideration of the special conditions, including the condition requiring a third-party fiduciary agent, placed on U.S. Department of Education funds granted to the Guam Department of Education. Your attention has resulted in a positive virtual monitoring visit with our GDOE team that concluded last week. The monitoring was led by Mark Robinson and Christine Jackson of USDOE's Risk Management Services, and we appreciate Mr. Robinson's and Ms. Jackson's dedication to completing the monitoring this summer, despite the setback and delays caused by the COVID-19 pandemic.

Over the past eight years, GDOE has made tremendous progress with USDOE's continued guidance and support. The department has invested in a modernized financial management system, updated its standard operating procedures, trained central office and school employees, and expanded our internal audit capabilities in order to improve our ability to more efficiently procure goods and services, better account for federally-funded assets, and track employee time and effort. These improvements have led to our seventh consecutive clean audit for both financial statements and compliance with federal programs and reduced material weaknesses and questioned costs to zero. I believe that GDOE has demonstrated the necessary improvements and accountability for USDOE to remove the special conditions and the requirement for a third-party fiduciary.

Due to your personal attention to this matter, USDOE and GDOE agreed on a Reconsideration Evaluation Plan in January 2019, which not only would specify the elements of our work that would require validation but would also serve as the sole basis for determining the removal of the special conditions. GDOE has made significant progress in completing the REP and submitting

evidence of this progress to Risk Management Services. The virtual monitoring that took place last week was to provide a final validation of this progress and lead to (1) a removal of special conditions and a reduction of the role of the third party fiduciary and/or (2) a clear determination of areas that had not been sufficiently addressed along with a timeline for implementing corrective action. Under either scenario, this will allow GDOE to move forward with clarity and with a clear path toward removal of the special conditions. I seek your favorable and fair review and approval in this regard.

In addition, GDOE has worked since April to plot out a strategy for the safe reopening of schools this fall. To date, GDOE has spent over \$25 million in local funds to pay the third-party fiduciary's fees; on an annual basis, that fee now amounts to \$2.5 million. Due to the impact of COVID-19 on the local government and on GDOE, it is important that every dollar possible be prioritized for our students and our schools. The removal of the special conditions and the reduction in the role of the third party would allow GDOE to use that \$2.5 million in fees to support school reopening needs.

Thank you again for your attention and leadership in this matter. I look forward to your review and decision, and please do not hesitate to contact me should you have any questions or concerns.

Sincerely,

A handwritten signature in black ink, appearing to read "Michael F. Q. San Nicolas". The signature is fluid and cursive, with the first name "Michael" being the most prominent.

Michael F.Q. San Nicolas
Member of Congress
Guam