



UNITED STATES DEPARTMENT OF EDUCATION  
OFFICE OF THE DEPUTY SECRETARY

The Honorable Jack Dalrymple  
600 East Boulevard Avenue  
Bismarck, ND 58505-0100

Dear Governor Dalrymple:

During the week of June 21, 2010, staff from the State Fiscal Stabilization Fund (SFSF) program from the U.S. Department of Education conducted the first of two monitoring reviews of your State's implementation of the SFSF program. Your State's SFSF contacts were extremely helpful in coordinating and responding to this desk review.

During the monitoring review, we discussed your State's policies, procedures, and activities related to the SFSF program. We spoke with officials at local educational agencies (LEAs) and public institutions of higher education (IHEs) that have received Education Stabilization Fund grants, as well as with representatives of entities that have received Government Services Fund grants. A complete description of the scope of the monitoring review and the SFSF monitoring protocols are available on the Department's website at <http://www2.ed.gov/programs/statestabilization/applicant.html>.

The Department found that the State implemented the program expeditiously and effectively in order to meet the financial needs of LEAs, IHEs, and other State agencies. This report demonstrates North Dakota's commitment to ensuring that the funds were spent quickly, while balancing the need for accountability and transparency. Throughout the monitoring process, subrecipients commented on the responsiveness of the State and were appreciative of the assistance provided to them.

The Department identified one issue regarding the State's implementation of the program. Specifically, the Department found that prior to monitoring, the State had not developed a comprehensive plan to monitor SFSF subrecipients through either desk or onsite monitoring.

<http://www.ed.gov/>

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In response, the State developed a monitoring plan that contained appropriate policies and procedures, including an implementation plan detailing the steps the State will take to execute the monitoring of all subrecipients, a monitoring schedule for both Education Stabilization Fund and Government Services Fund subrecipients, and appropriate tools/protocols. The Department will follow up on these issues and to monitor subsequent actions taken by the State during its next review to ensure that the State has continued to adhere to the policies and procedures it has been implementing. Because the State has taken the actions above, there are no outstanding issues for the State to resolve.

The Department is grateful for the cooperation and responsiveness of the staff in North Dakota. Monitoring not only helps States to achieve high-quality implementation but also helps the Department to improve its role as an advisor and partner with States in this effort. As we work together, we want this process to be interactive and helpful.

We will be contacting your office in the future to schedule an on-site monitoring review of the State's implementation of the SFSF program. We look forward to collaborating with you and the other officials in North Dakota who are working on this critical educational initiative.

Sincerely,

Ann Whalen  
Director, Policy and Program Implementation  
Implementation and Support Unit

cc: Tammy Dolan