



UNITED STATES DEPARTMENT OF EDUCATION  
OFFICE OF THE DEPUTY SECRETARY

March 1, 2012

The Honorable Rick Perry  
P.O. Box 12428  
Austin, Texas 78711

Dear Governor Perry:

During the week of July 11, 2011, 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 on-site 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) that received Education Stabilization Fund grants and public institutions of higher education (IHEs), as well as representatives of entities that 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 [www.ed.gov/programs/statestabilization/applicant](http://www.ed.gov/programs/statestabilization/applicant).

The Department found that the State implemented the program expeditiously and effectively in order to meet the financial needs of LEAs and other State agencies. This report demonstrates Texas's commitment to ensuring that the funds were spent quickly, while balancing the need for accountability and transparency.

The Department commends Texas for providing comprehensive guidance to subrecipients of SFSF grants. Throughout the monitoring process, subrecipients commented on the breadth and clarity of the guidance provided by the State and were appreciative of the State's responsiveness to questions. The Department did not identify any issues regarding the State's implementation of the program.

The Department is grateful for the cooperation and responsiveness of the staff in Texas. 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.

[www.ed.gov](http://www.ed.gov)

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*The Department of Education's mission is to promote student achievement and preparation for global competitiveness by fostering educational excellence and ensuring equal access.*

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

Sincerely,

//s//

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