



September 12, 2017

Dr. Melody Schopp, Secretary
Department of Education
800 Governors Drive
Pierre, South Dakota 57501

Dear Secretary Schopp:

The Government Operations and Audit Committee has scheduled a meeting for October 5 and 6, 2017, Carnegie Town Hall, in Sioux Falls, to review various issues involving state government.

The Committee requests your attendance at the meeting and please let the Committee know if you intend to appear by September 28, 2017. Also the Committee requests that you provide written answers to the following questions from Committee members by September 28, 2017:

1. Please explain the process used to apply for both the first and second GEAR UP grants.
2. How were these grants built into the State budget process?
3. The South Dakota Department of Education (SDDOE) made payments to BC Kuhn from July 2008 to September 2011. What were these payments to BC Kuhn for? If these payments were for contractual services please provide copies of the related contracts.
4. Please provide the names of your supervisors from the first day of your employment with the SDDOE until the date of your appointment as Secretary in January 2011.
5. Prior to being appointed as Secretary, you indicated your involvement with the GEAR UP program was minimal. Please explain what that means.
6. In the Committee's letter to you, dated August 4, 2017, we asked for memos and emails in support of your decision to terminate the subaward agreement with Mid Central. We are interested in the documentation as it relates to conflicts of interest and related parties. Did you report your concerns about conflicts of interest and related parties to the Governor or the Governor's Chief of Staff?
7. In April 2012 you received an email from Roger Campbell of his concerns about the GEAR UP program. In your testimony to the Committee you indicated that in April 2012 the SDDOE implemented an online system for submitting GEAR UP documentation and that invoices began to be reviewed on a random sampling basis. Was this done in response to Mr. Campbell's concerns?
8. Who appointed the GEAR UP Advisory Board for the second GEAR UP grant?
9. Please provide a list of those individuals serving on the GEAR UP Advisory Board for the second GEAR UP grant and how much each member was paid.
10. In your testimony to the Committee on July 24, 2017 you indicated LuAnn Werdel was released from employment because of a change in administration. In your written response to Committee questions, dated August 22, 2017, you indicated you asked Ms. Werdel to resign for

personnel issues. Please clarify the reason for Mr. Werdel's resignation and provide any documentation relating to her resignation.

11. In the Committee's letter to you, dated August 4, 2017, we asked for persons other than LuAnn Werdel and Roger Campbell that expressed concerns of improprieties or wrong doings of grants handled by Mid Central or any other related organizations. You did not answer this question in your response dated August 22, 2017. Please provide this information.
12. When asked how many Native American students went to college during the last 12 years of the program, you could only tell lawmakers that number was 285 for the most recent school year. How many of those 285 students went on to college specifically and primarily because of the GEAR UP program?
13. Please provide the annual GEAR UP evaluation reports prepared by other parties over time.

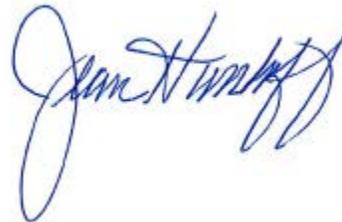
Please submit your answers to Tim Flannery, Department of Legislative Audit, 427 South Chapelle, Pierre, SD, 57501 by September 28, 2017 so that the information can be sent to all Committee members in advance of the actual meeting date. The meeting is scheduled to begin at 1:00 p.m. on October 5, 2017 and reconvene on October 6, 2017.

If you have any questions, please contact Tim Flannery with the Department of Legislative Audit at 773-3595.

Sincerely,



Senator Deb Peters, Chair
Government Operations and Audit Committee



Representative Hunhoff, Vice-Chair
Government Operations and Audit Committee