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VIA ELECTRONIC SUBMISSION

Sept. 21, 2022      Dr. Miguel Cardona, Secretary of Education  
Office of the Secretary  
U.S. Department of Education  
400 Maryland Avenue, S.W.  
Washington, D.C. 20202

**RE: PUBLIC COMMENTS BY THE COUNCIL FOR EDUCATION (“CFD”) IN  
OPPOSITION TO THE PUBLIC NOTICE OF THE FEDERAL STUDENT AID  
(“FSA”) PROGRAM, U.S. DEPARTMENT OF EDUCATION (“DEPARTMENT”)  
REGARDING THE FEDERAL PERKINS LOAN PROGRAM REGULATIONS,  
DOCKET NO.: ED-2022-SCC-0083, 87 FR 51401, OMB CONTROL NUMBER 1845-  
0023**

Dear Dr. Miguel Cardona,

The CFD is a public-interest law firm operating as a self-regulatory organization (Nevada business ID# NV20171702562) and a tax-exempt nonprofit organization (EIN: 82-3295336) that audits and litigates on behalf of its client, the International Committee of Fiat Currency (“ICoFC”). The ICoFC holds international banking jurisdiction<sup>1</sup> under the Edge Act and the district court with subject matter jurisdiction<sup>2</sup> to decide its merits.

The ICoFC disagrees, in part, with the Department’s notice that the lack of data is associated with the COVID-19 pandemic, because that is not the whole story factually. The ICoFC

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<sup>1</sup> See, "When the U.S. Department of Education fails to conduct onsite GAAP audits on all state institutions, the federal courts are unlikely to overturn state sovereignty immunity, especially when the SEC fails to respond to the Council for Education's No-Action Letter [1]. Hence the unregulated fiat currency for over two decades continues to exploit inequalities in wealth distribution to the detriment of the majority of consumers worldwide," Comments of the Application of Principles for Financial Market Infrastructures to Stablecoin Arrangements from Aasma Yaseen, COO. Council for Educ., Chwn of the Int'l Comm. of Fiat Cur. to CPMI - IOSCO Secretariats, p.4, December 1, 2021, [https://cedfund.blob.core.windows.net/storage/ICoFC\\_CPMI-IOSCO\\_Comments.pdf](https://cedfund.blob.core.windows.net/storage/ICoFC_CPMI-IOSCO_Comments.pdf)

<sup>2</sup> See, "HOLDINGS: [1]-A bank, which commenced the original interpleader but was not named as a party in the amended crossclaim, faced a risk of liability in the case and, as such, was a party for the purposes of the Edge Act, 12 U.S.C.S. § 632, where the relevant claims arose out of the bank's international or foreign financial operations. Therefore, because this was a civil case, the Edge Act gave the district court subject matter jurisdiction to decide its merits," U.S. Bank Nat'l Ass'n v. Triaxx Asset Mgmt. LLC, No. 19-3121. 826 Fed. Appx. 115 \*; 2020 U.S. App. LEXIS 33409 \*\*1; 2020 WL 6153188. (2nd Cir. October 21, 2020) The name of the case has to be underlined.

believes that the state of California's repeal<sup>3</sup> of a state statute empowering and authorizing state officials not to cooperate with the federal government on the matter of financial statements of federal assurances<sup>4,5</sup> as a whole and the federal government's lack of the statute<sup>6</sup> necessary to faithfully enforce federal statutes caused a series of illicit fiat currency schemes, which led to a national emergency known as the Tuskegee Effect<sup>7</sup> (1990 to present). Further, the ICoFC calls for a new stipulation agreement<sup>8</sup> between the Department and the ICoFC to enhance the quality, utility, and clarity of the Department's data collection<sup>9</sup>. The monitoring of repayments, billings, collections, and reimbursements under a new stipulation agreement will be in accordance with Generally Accepted Government Auditing Standards, which conform with international banking standards, in the administration of the FSA Program.

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<sup>3</sup> See, The state of California, Repealed Stats 1990 CH 1372 § 98 (SB 1854). See the repealed section, which reads as follows: "The officers and agencies are vested with all necessary power and authority to cooperate with the government of the United States, or any agency or agencies thereof in the administration of the act of Congress and rules and regulations lawfully adopted thereunder," April 30, 1977, Ch. 1372, § 99, 1971 Cal. Educ. Code 239, 241 (West) (to be codified at West's Ann Cal. Educ. Code § 12210).

<sup>4</sup> See, "The financial statements of the University's discretely presented component units were not audited in accordance with Government Auditing Standards," PwC's University of California, Report on Financial Statements and Expenditures of Federal Awards in Accordance with the Uniform Guidance For the Year Ended June 30, 2017 (ATTACHMENT "A").

<sup>5</sup> See, e.g., Final Audit Determination letter, ACN 09-2017-81390, OPE ID 00131200, FINDING NUMBER: 2017-003, Missing Federal Perkins Loan Exit Counseling at the University of California, Berkeley (UCB), page 271, at 5 in University of California, Report on Financial Statements and Expenditures of Federal Awards in Accordance with the Uniform Guidance for the Year Ended June 30, 2017 (June 30, 2017) (electronic page number 1296); ("AUDIT FINDING: The auditor noted that out of 25 students tested, there were four students that did not have documentation that exit interviews were conducted, or that follow-up email notifications were sent.").

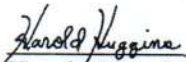
<sup>6</sup> See, "We have attempted to collect Section 117 information via our approved Application to Participate in Federal Student Financial Aid Program (e-App), Office of Management and Budget (OMB) Control Number 1845-0012, but did not receive sufficient information to faithfully enforce the statute," A Rule by the Education Department, The Department's Enforcement Authority for Failure to Adequately Report Under Section 117 of the Higher Education Act of 1965, as Amended," 85 FR 72567, Published Nov. 13, 2020, <https://www.federalregister.gov/d/2020-23526/p-16>

<sup>7</sup> See, Trial Transcript at 10, Council for Educ. v. Comm'r, T.C. Memo. 2013-283 (No. 17890-11X) ("And as I said before, Your Honor, we believe that there's something called the Tuskegee Effect. And if the -- if there's an additional delay in these proceedings and whether or not we qualify for a 501(c)(3) tax-exempt status, we believe there will be further detrimental effect concerning the Tuskegee Effect that we described in the administrative records and that Dr. Person, who is a professor of sociology at California State University of Fullerton, had explained in her commissioned report.").


<sup>8</sup> See, "3. The U.S. Department of Education's motion to dismiss the claim against it for lack of jurisdiction because of the anti-injunction provision in the Higher Education Act, 20 U.S.C. § 1082(a)(2), is GRANTED," Council for Educ. v. U.S. Dep't of Educ., No. CIV S09-1503FCDEFBPS, 2009 WL 4456426 (E.D. Cal. May 20, 2010, Docket No. 60) PARTIES' STIPULATION AND ORDER OF DISMISSAL WITH LIMITED LEAVE TO AMEND.

<sup>9</sup> See, "This data collection will provide minimum information for consideration under an attestation agreement," Public Comments from Harold Huggins, Dir. Council for Educ., to Dr. Miguel Cardona, U.S. Sec. of Educ., U.S. Dep't of Educ., 86 FR 36836, Docket No. ED-202203-1845-009, p.1., (July 21, 2021).

Yours sincerely

  
Harold Huggins  
Director, Council for Education

Yours sincerely

  
Aasma Yaseen, Chief Operating Officer for the Council for Education,  
Chairwoman of the International Committee of Fiat Currency

cc:

Ilyas Anis, Treasurer, Lead Auditor for the Council for Education

Sir Jon Cunliffe, Deputy Governor of the Bank of England, CPMI Chair  
Bank for International Settlements  
CH-4002 Basel Switzerland

Jerome H. Powell, Board of Governors, FOMC Chair  
The Board of Governors of the Federal Reserve System  
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General Secretariat, International Organization of Securities Commissions

CPMI Secretariat, Bank for International Settlements

FSB Secretariat, Financial Stability Board, Bank for International Settlements

Financial Action Task Force (FATF)

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Erica Y. Williams, Esq., Chair, Public Company Accounting Oversight Board

Molly C. Dwyer, Clerk of Court, RE: Appeals Docket Nos. 14-70825 & 14-56113,  
United States Courts for the Ninth Circuit

ATTACHMENT “A”





## **Report of Independent Auditors**

To the Regents of the University of California

### ***Report on the Financial Statements***

We have audited the accompanying financial statements of the University of California (the "University"), a component unit of the State of California, its aggregate discretely presented component units, the University of California Retirement System and the University of California Retiree Health Benefit Trust, as of and for the years ended June 30, 2017 and 2016, and the related notes to the financial statements which collectively comprise the University's basic financial statements as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### ***Auditors' Responsibility***

Our responsibility is to express an opinion on the financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. The financial statements of the University's discretely presented component units were not audited in accordance with *Government Auditing Standards*.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the University's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the University's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.





## ***Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the University, its aggregate discretely presented component units, the University of California Retirement System and the University of California Retiree Health Benefit Trust as of June 30, 2017 and 2016 and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## ***Emphasis of Matter***

As discussed under "Significant Accounting Policies" in the notes to the financial statements, the University changed the manner in which it accounts for Postemployment Benefit Plans Other Than Pension Plans. Our opinion is not modified with respect to this matter.

## ***Other Matters***

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that management's discussion and analysis on pages 4 through 23 and the required supplemental information on pages 98 through 105 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or a context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audits of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### ***Other Information***

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying summary schedule of expenditures of federal awards and schedule of expenditures of federal awards for the year ended June 30, 2017 are presented for purposes of additional analysis as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and are not a required part of the financial statements. As described in Note 2 to the schedules of expenditures of federal awards, the accompanying summary schedule of expenditures of federal awards and schedule of expenditures of federal awards were prepared on the cash basis, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including





comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the summary schedule of expenditures of federal awards and schedule of expenditures of federal awards are fairly stated, in all material respects, on the basis of accounting described in Note 2, in relation to the financial statements as a whole.

***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated October 12, 2017 on our consideration of University's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the University's internal control over financial reporting and compliance.

*PricewaterhouseCoopers LLP*

San Francisco, California  
October 12, 2017