DEPARTMENT OF EDUCATION
OFFICE OF THE SUPERINTENDENT

www.gdoe.net
500 Mariner Avenue
Barrigada, Guam 96913
Telephone: (671) 300-1547/1536•Fax: (671)472-5001
Email: jonfernandez@gdoe.net

JON J.P. FERNANDEZ
Superintendent of Education

GLH 34-18-1671
Speaker Benjamin J.F. Cruz

MAR 2 2 2018
Time: 2:16 AM PM File No. 34-1686
Received By: [illegible]

March 20, 2018

Mr. Edward Birn
Acting Director
Department of Administration
P.O. Box 884
Hagatña, Guam 96932

Re: Guahan Academy Charter School: FY 2018 March 2018 (Partial #1) Allotment Request

Hafa Adai,

Upon review of the Guahan Academy Charter School Fiscal Year 2018 March 2018 (Partial #1) Allotment Request by our Internal Audit Office in collaboration with members of the Guahan Academy Charter School Incorporated, I am unable to submit my verification of accuracy as required by Public Law 34-42, Chapter II, Section 3 in its entirety.

Our Internal Audit Office was able to validate **$180,914.19** of the invoiced total. Please see the attached verification report. This validation is based on actual invoices submitted to our Internal Audit Office on March 15, 2018.

Please advise my office if you have any further questions or concerns regarding this matter.

Sincerely,

Jon J.P. Fernandez
Superintendent of Education

Attachment

Cc: Chairman and Members, Guam Education Board
Speaker, 34th Guam Legislature
Guahan Academy Charter School

2018 MAR 22 PM 3:46

1671

JON J.P. FERNANDEZ
Superintendent of Education

DEPARTMENT OF EDUCATION
INTERNAL AUDIT OFFICE

500 Mariner Avenue, Barrigada, Guam 96913
Telephone: (671) 300-1336
Fax: (671) 472-5001
Email: iao@gdoe.net

FRANKLIN
COOPER-NURSE
Chief Internal Auditor

March 20, 2018

MEMORANDUM

TO: Jon J.P. Fernandez, Superintendent of Education, Guam Department of Education

CC: Taling M. Taitano, Deputy Superintendent of Finance and Administrative Services

FROM: Franklin J.F. Cooper-Nurse, Chief Auditor, Guam Department of Education

SUBJECT: March 2018 Review of Guahan Academy Charter School Inc.'s Invoices

Hafa Adai,

The Guam Department of Education (GDOE) Internal Audit Office (IAO) has completed its review of Guahan Academy Charter School (GACS)'s first partial allotment request for March 2018. GDOE is authorized by Public Law (PL) 34-42 to verify Charter School invoices for accuracy and report its findings within ten (10) days.

On March 15, 2018, the IAO received the Department of Administration's transmittal for GACS's first March 2018 Partial Allotment Request of $188,314.19. The IAO validated $180,914.19 of GACS submitted invoices and did not validate $7,400. An invoice for Velma Sablan, Ph.D. was not validated due to improper contract extension of a request for quotation (RFQ) or small purchase. By extending the contract, the price exceeds the small purchase threshold, which was $15,000 at the inception of the contract. Per Title 5 of the Guam Code Annotated §5213, procurement requirements shall not be artificially divided so as to constitute a small purchase.

Table 1: March 2018 Allotment Request Invoices (1st Partial)

	A	B	C	(B-C) = D
Object Class	GACS Drawdown	Submitted Invoices	IAO's Validation	Difference
1 Personnel Salaries	$ 93,378.24	$ 93,378.24	$ 93,378.24	$ -
2 Benefits	$ 9,782.58	$ 9,782.58	$ 9,782.58	$ -
3 Contractual	$ 84,847.37	$ 84,847.37	$ 77,447.37	$ 7,400.00
4 Supplies & Materials	$ 306.00	$ 306.00	$ 306.00	$ -
5 Student Material	$ -	$ -		$ -
6 Power	$ -	$ -		$ -
7 Water	$ -	$ -		$ -
8 Telephone & Wireless	$ -	$ -		$ -
9 Miscellaneous	$ -	$ -		$ -
TOTAL	$ 188,314.19	$ 188,314.19	$ 180,914.19	$ 7,400.00

PL 34-42 provides $6,500 for each student up to 740 students or a total of $4,810,000. However, due to revenue shortfalls from tax cuts, GACS's Fiscal Year (FY) 2018 appropriations were reduced by $416,719[1] for a revised appropriation of $4,393,281. For FY 2018, IAO validated $2,134,567.86 of expenditures, leaving a balance of $2,258,713.14 of unexpended funds. As of March 13, 2018, 901 students were enrolled in GACS. See Tables 2 and 3.

Table 2: FY 2018 Validation Summary

Month	A GACS Drawdown	B Submitted Invoices	C IAO's Validation	(B-C) = D Difference
Oct 2017 (Partial)	$ 223,949.48	$ 223,949.48	$ 223,949.48	$ -
Oct 2017 (Partial #2)	$ 181,025.77	$ 181,025.77	$ 116,189.14	$ 64,836.63
Nov 2017 (Partial)	$ 109,713.81	$ 109,713.78	$ 109,713.78	$ -
Nov 2017 (Partial #2)	$ 110,662.47	$ 110,662.47	$ 110,662.47	$ -
Dec 2017 (Partial)	$ 125,065.99	$ 125,065.99	$ 125,065.99	$ -
Dec 2017 (Partial #2)	$ 113,142.58	$ 113,142.58	$ 105,782.74	$ 7,359.84
Dec 2017 (Partial #3)	$ 468,515.60	$ 468,515.60	$ -	$ 468,515.60
Dec 2017 (Partial #4)	$ 179,258.25	$ 179,258.25	$ 179,258.25	$ -
Jan 2018 (Partial #1)	$ 146,654.61	$ 146,654.61	$ 122,064.36	$ 24,590.25
Dec 2017 (Final)	$ 182,255.86	$ 182,255.56	$ 178,264.76	$ 3,990.80
Jan 2018 (Partial #2)	$ 350,000.00	$ 350,000.00	$ -	$ 350,000.00
Jan 2018 (Partial #3)	$ 107,998.48	$ 107,998.48	$ 107,998.48	$ -
Jan 2018 (Partial #4)	$ 206,542.11	$ 206,288.83	$ 206,079.23	$ 209.60
Feb 2018 (Partial #1)	$ 124,744.17	$ 124,744.17	$ 124,744.17	$ -
Feb 2018 (Partial #2)	$ 243,880.82	$ 243,880.82	$ 243,880.82	$ -
Mar 2018 (Partial #1)	$ 188,314.19	$ 188,314.19	$ 180,914.19	$ 7,400.00
Total (FY 2018)	**$ 3,061,724.19**	**$3,061,470.58**	**$ 2,134,567.86**	**$ 926,902.72**

		GACS Max. Budget	$ 4,810,000.00
		Less: Appropriations	
Funding Per Student	$ 6,500	reduction	(416,719.00)
Maximum Enrollment	740	Revised Budget	$ 4,393,281.00
GACS Maximum Budget	$4,810,000	Less: IAO's Validations	(2,134,567.86)
		Remaining Funds	$ 2,258,713.14

Table 3: GACS FY 2018 Enrollment

	Grade Level														
Months	1	2	3	4	5	6	7	8	9	10	11	12	K	PK	Total
Oct-17	82	97	99	94	77	91	87	56	42	33	31	34	69	65	957
Nov-17	81	96	97	94	75	91	85	56	42	33	30	34	67	65	946
Dec-17	81	96	96	93	75	90	84	55	41	31	30	35	67	64	938
Jan-18	77	95	95	92	74	89	84	54	41	31	29	31	67	64	923
Feb-18	76	93	93	90	72	88	81	52	41	30	28	32	66	64	906
Mar-18	76	92	93	89	72	87	80	52	41	30	28	32	66	63	901
Average	**79**	**95**	**96**	**92**	**74**	**89**	**84**	**54**	**41**	**31**	**29**	**33**	**67**	**64**	**929**

Should you have any questions or concerns, please contact Leana Willess at 300-3697 or lmwilless@gdoe.net, and Franklin Cooper-Nurse at 300-1336 or fjtcooper-nurse@gdoe.net.

[1] Bureau of Budget and Management Research (2018, January 24). *FY 2018 general fund appropriation reductions-tax cuts and job act of 2017*

Appendix 1: GACS March 2017 (Partial) Allotment Request Invoices

Object Code and Class	Reference	Vendor	Invoice #	Invoice Date	Invoice Amount	Validated	Validated Amount
111 Personnel Salaries	P-2.1	Sanford Technology Group	194700-30H	3/7/2018	$93,378.24	✔	$ 93,378.24
						Subtotal	$ 93,378.24
114 Personnel Benefits	P-3.1	Sanford Technology Group	194700-30H	3/7/2018	$ 5,789.44	✔	$ 5,789.44
114 Personnel Benefits	P-3.2	Sanford Technology Group	194700-30H	3/7/2018	$ 1,353.98	✔	$ 1,353.98
114 Personnel Benefits	P-3.3	Sanford Technology Group	194700-30H	3/7/2018	$ 2,639.16	✔	$ 2,639.16
						Subtotal	$ 9,782.58
230 Contractual	P-4.1	B&G Pacific, LLC	GUAHAN2183	2/19/2018	$20,053.00	✔	$ 20,053.00
230 Contractual	P-4.2	B&G Pacific, LLC	GUAHAN2184	2/26/2018	$20,053.00	✔	$ 20,053.00
230 Contractual	P-4.3	B&G Pacific, LLC	GUAHAN3181	3/5/2018	$16,706.00	✔	$ 16,706.00
230 Contractual	P-4.4	B&G Pacific, LLC	GUAHAN3182	3/5/2018	$20,292.00	✔	$ 20,292.00
230 Contractual	P-4.5	Velma A. Sablan, Ph.D.	FINAL SY2016-2017	2/27/2018	$ 7,400.00		$ -
230 Contractual	P-4.6	Sanford Technology Group	194700-30H	3/7/2018	$ 343.37	✔	$ 343.37
						Subtotal	$ 77,447.37
240 Supplies and Materials	P-5.1	Aqualicious	GACS-022218	2/22/2018	$ 72.00	✔	$ 72.00
240 Supplies and Materials	P-5.2	Aqualicious	GACS-022618	2/26/2018	$ 27.00	✔	$ 27.00
240 Supplies and Materials	P-5.3	Aqualicious	GACS-022718	2/27/2018	$ 40.50	✔	$ 40.50
240 Supplies and Materials	P-5.4	Aqualicious	GACS-030118	3/1/2018	$ 54.00	✔	$ 54.00
240 Supplies and Materials	P-5.5	Aqualicious	GACS-030618	3/6/2018	$ 54.00	✔	$ 54.00
240 Supplies and Materials	P-5.6	Aqualicious	GACS-030818	3/8/2018	$ 58.50	✔	$ 58.50
						Subtotal	$ 306.00
						Total	**$180,914.19**

Eddie Baza Calvo
Governor
Ray Tenorio
Lieutenant Governor

Department of Administration
(DIPATTAMENTON ATEMENSTRASION)
DIRECTOR'S OFFICE
(UFISINAN DIREKTOT)
Post Office Box 884 Hagatña, Guam 96932
Tel: (671) 475-1101/1250 Fax: (671) 477-6788

Edward Birn
Acting Director
Vincent P. Arriola
Deputy Director

Department of Education
Office of the Superintendent
Date: 3/15/18 Time: 8:03:50
Rec'd By: [illegible] [illegible]
Print Name Signature

March 13, 2018

Mr. Jon J.P. Fernandez
Superintendent
Guam Department of Education
500 Mariner Avenue
Barrigada, Guam 96913-1608

To IAO.
3/17/18

RE: Guahan Academy Charter School – March 2018 (Partial#1) Allotment Request

Buenas yan Hafa Adai:

Pursuant to Public Law 33-42, Chapter II, Part I, we are submitting Guahan Academy Charter School's partial allotment request for the month of March for Fiscal Year 2018. Herewith are the supporting documents provided by Guahan Academy Charter School for your review and immediate action.

Should you have any further questions or concerns, please contact, Mary Grace Edrosa at 475-1283

Si Yu'os Maase!

Sensaramente,

Edward Birn
Acting Director

GOVERNMENT OF GUAM
DEPARTMENT OF ADMINISTRATION
FINANCIAL MANAGEMENT SYSTEM

REQUEST FOR DIRECT PAYMENT

DOCUMENT NO.: _____

■ URGENT - EXPEDITE PAYMENT ☐ KEY & RELEASE - A S A P

PAYEE:	VENDOR NUMBER:
Guahan Academy Charter School P.O. Box CS Hagatna, GU 96932	G0016588

PURPOSE:

March 2018 - Allotment Request (Partial #1)

TRAN CODE	ACCOUNT NUMBER	AMOUNT	Invoices
190	5639A179964GA201-290	$ 188,314.19	March 2018 - Allotment Request (Partial #1)
TOTAL		$ 188,314.19	

CHECK APPROPRIATE BOX BELOW:

■ ACCOUNT NUMBER IS CORRECT ■ JOB ORDER NUMBER IS CORRECT ☐ INSUFFICIENT FUNDS

■ PRIOR REFERENCE IS CORRECT ■ VENDOR NUMBER IS CORRECT

☐ OVERRIDE IS AUTHORIZED ☐ SUFFICIENT FUNDS

■ I CERTIFY THAT GOODS/SERVICES SPECIFIED HAVE BEEN RECEIVED AND THAT PAYMENT IS PROPER AS PER THE ATTACHED DOC

☐ I CERTIFY THAT A VALID UABILITY EXIST BY REASON OF WITHHOLDING, OVERPAYMENT AND THAT PAYMENT IS PROPER AS PER TH ATTACHED DOCUMENTS.

PREPARED BY:

_____ Signature _____ Date

APPROVING OFFICIAL:

Al Erguiza, Procurement & Audit Manager — Signature — March 12, 2018 — Date

FINANCE & PROCUREMENT COMMITTEE

CERTIFICATION OF FUNDS AVAILABLE:

VICTOR A. PEREZ, COMMITTEE CHAIR — Signature — March 12, 2018 — Date

FINANCE & PROCUREMENT COMMITTEE

GUAHAN ACADEMY CHARTER SCHOOL

BOARD OF TRUSTEES

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Chairwoman

Hentrick M. Eveluck
Vice Chairman

Jacqui Cyrus, MA, MEd, EdD
Acting Secretary

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Human Resource
Curriculum
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Technology

P.O. Box CS
Hagatna, Guam 96932
(671) 979-1065/6
Board Liaison
Cell: (671) 483-3044
info.gacsbot@gmail.com

DATE: March 12, 2018

TO: Edward Birn
Director,
Department of Administration

FROM: Al Erguiza
Procurement & Audit Manager
Guahan Academy Charter School Incorporated

RE: March 2018 - Allotment Request (Partial #1)

Attached are all relevant documents to support the March 2018 Allotment Request (Partial # 1) for Guahan Academy Charter School Incorporated.

A copy of these materials will also be submitted to the GDOE IAO.

Thank you for your time and consideration.

CC: Board of Trustees

GDOE IAO

GUAHAN ACADEMY CHARTER SCHOOL
Allotment Summary
March 2018 - Allotment Request (Partial #1)

CLASSIFICATION	ACCOUNT CODE	TOTAL REQUESTED
PERSONNEL SALARIES	111	$ 93,378.24
PERSONNEL BENEFITS	114	$ 9,782.58
CONTRACTUAL	230	$ 84,847.37
MATERIALS & SUPPLIES	240	$ 306.00
WORKMAN'S COMP & GEN LIAB	270	$ -
DRUG TESTING	271	$ -
MISCELLANEOUS	290	$ -
POWER	361	$ -
WATER	362	$ -
TELEPHONE & WIRELESS	363	$ -
	TOTAL:	$ 188,314.19

Department of Administration
Division of Accounts
MAR 1 3 2018
Customer Service

Doc. No. 34GL-18-1671.

BOARD OF TRUSTEES

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GUAHAN ACADEMY CHARTER SCHOOL

FUNCTION: Guahan Academy Charter School, Inc.
MARCH 2018 -ALLOTMENT REQUEST (Partial #1)

INVOICE: GACS FY 2017-2018-02-2018-02

AUTHORITY: Public Law 34-42

BE IT ENACTED BY THE PEOPLE OF GUAM

Section 1. Section 2 of Part 1, Chapter II of Public Law 34-42, is hereby *amended to read*:

Section2. Notwithstanding any provision of law, for the School Year 2017-2018, pursuant to § 12116(e), Chapter 12 Title 17 GCA, the Department of Administration (DOA) is hereby authorized and directed to deduct Six Thousand Five Hundred Dollars ($6,500) per enrollee of Academy Charter Schools chartered by the Guam Academy Charter Schools Council, *not to exceed* seven hundred forty (740) students for the *Guahan* Academy Charter School and five hundred (500) students for the *iLearn* Academy Charter School, as recommended by the Guam Academy Charter School Council from the total General Fund appropriation in Section 1 of this Part of this Chapter to the GDOE, based on the actual enrollment at the time, multiplied by the per pupil cost, as established in this Section. Each Academy Charter School *shall* submit a monthly invoice to the DOA. Upon receipt of said invoice, the DOA *shall* remit it to the GDOE. Upon receipt of the remitted invoice, GDOE shall verify the invoice for accuracy and report its findings within ten (10) days of receipt of said invoice to DOA prior to the release of funds. If the GDOE fails to reports its findings, the invoiced amount received by DOA shall be automatically transmitted to each Academy Charter School.

Department of Administration
Division of Accounts
MAR 13 2018
Customer Service