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

GL#34-18-1836
Speaker Benjamin J.F. Cruz

MAY 02 2018
Time: 9:00 [✓] AM [ ] PM File No. 34-18 73
Received By:

April 30, 2018

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

Re: Guahan Academy Charter School: FY 2018 April 2018 (No. 3) Allotment Request

Hafa Adai,

Upon review of the Guahan Academy Charter School Fiscal Year 2018 April 2018 (No. 3) 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 $0 of the invoiced total. Please see the attached verification report. This validation is based on actual invoices submitted to our Internal Audit Office on April 24, 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 MAY -2 AM 11:06

1836

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

April 30, 2018

MEMORANDUM

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

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

FROM: Franklin J.T. Cooper-Nurse, Chief Auditor, Internal Audit Office

SUBJECT: April 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 No. 3 allotment request for April 2018. GDOE (IAO) is authorized by Public Law (PL) 34-42 to verify charter school invoices for accuracy and report its findings within 10 days.

On April 24, 2018, IAO received the Department of Administration's transmittal for GACS's April 2018 No. 3 Allotment Request of $104,800.00. The purpose of the allotment request was to request for one pay period of payroll in advance. GDOE does not have the authority to provide an advancement of government funds, therefore, the IAO is unable to validate the submitted invoice.

Table 1: April 2018 Allotment Request Invoices (No. 3)

	A	B	C	(B-C) = D
Object Class	GACS Drawdown	Submitted Invoices	IAO's Validation	Difference
1 Personnel Salaries	$ 104,800.00	$ 104,800.00	$ -	$ 104,800.00
2 Benefits	$ -	$ -	$ -	$ -
3 Contractual	$ -	$ -	$ -	$ -
4 Supplies & Materials	$ -	$ -	$ -	$ -
5 Student Material	$ -	$ -	$ -	$ -
6 Power	$ -	$ -	$ -	$ -
7 Water	$ -	$ -	$ -	$ -
8 Telephone & Wireless	$ -	$ -	$ -	$ -
9 Miscellaneous	$ -	$ -	$ -	$ -
TOTAL	$ 104,800.00	$ 104,800.00	$ -	$ 104,800.00

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 $2,481,437.13 of expenditures, leaving a balance of $1,911,843.87 of unexpended funds. As of April 18, 2018, 894 students were enrolled in GACS. See Tables 2 and 3.

Table 2: FY 2018 Validation Summary

	A	B	C	(B-C) = D
Month	GACS Drawdown	Submitted Invoices	IAO's Validation	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
Mar 2018 (Partial #2)	$ 142,191.57	$ 142,191.57	$ 142,191.57	$ -
Mar 2018 (Special #2)	$ 170,484.19	$ 170,484.19	$ -	$ 170,484.19
April 2018 (Partial #1)	$ 204,677.70	$ 204,677.70	$ 204,677.70	$ -
April 2018 (No. 3)	$ 104,800.00	$ 104,800.00	$ -	$ 104,800.00
Total (FY 2018)	**$ 3,579,077.65**	**$3,578,824.04**	**$ 2,481,437.13**	**$ 1,202,186.91**

Funding Per Student	$ 6,500	GACS Max. Budget	$ 4,810,000.00
Maximum Enrollment	740	Less: Appropriations reduction	(416,719.00)
GACS Maximum Budget	$ 4,810,000	Revised Budget	$ 4,393,281.00
		Less: IAO's Validations	(2,481,437.13)
		Remaining Funds	$ 1,911,843.87

Table 3: FY 2018 GACS 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	88	72	87	79	52	41	30	28	32	62	63	895
Apr-18	76	92	92	88	72	87	79	52	41	30	28	32	62	63	894
Average	**78**	**94**	**95**	**91**	**74**	**89**	**83**	**54**	**41**	**31**	**29**	**33**	**66**	**64**	**923**

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 jobs act of 2017*

Appendix 1: GACS April 2018 (No. 3) Allotment Request Invoices

Object Code and Class	Reference	Vendor	Invoice #	Invoice Date	Invoice Amount	Validated	Validated Amount
111 Personnel Salaries	T-2.1	Guahan Academy Charter School			$ 104,800.00		$ -
						Subtotal	$ -
						Total	**$ -**

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

April 20, 2018

Department of Education
Office of the Superintendent
Date: 4/24/18 Time: 8:42 a
Rec'd By: Print Name Signature 4

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

RE: Guahan Academy Charter School – April 2018 Payroll Advance Allotment Request (Special No#3)

Buenas yan Hafa Adai:

Pursuant to Public Law 33-42, Chapter II, Part I, we are submitting Guahan Academy Charter School's special allotment request for payroll advance for the month of April 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

4/24/18
Fwd to IA per Supt.

GUAHAN ACADEMY CHARTER SCHOOL

PROCUREMENT/ALLOTMENT MEMORANDUM

GACS NO. 4-2018-003

RE: PAYROLL ADVANCE ALLOTMENT REQUEST FOR ONE PAY PERIOD

Date: April 18, 2018

To: Mr. Franklin Cooper-Nurse, Chief Auditor
Internal Audit Office, Guam Department of Education

Re: No. 3 – Payroll Advance Allotment Request for One Pay Period

Via: Ms. Bernadette Lacap, Accountant

Fr: Victor A. Perez, Chairman of Finance & Procurement Committee
Board of Trustees, Guahan Academy Charter School

Dear Mr. Franklin-Cooper Nurse:

Guahan Academy Charter School presents our Special Allotment Request 4-2018-003 for Payroll Advance for One Pay Period in the amount of $104,800.00.

The Board of Trustees has experienced delays in meeting our payroll responsibility to our hard-working employees at Guahan Academy Charter School too frequently. To address this issue, the Board deliberated on a resolution to this matter. It is the Board's desire to seek an advance of their payroll for one pay period to avoid any possible delay and to ensure that our employees are paid on time.

Attached is GACS' spreadsheet evidencing the amount being requested of $104,800.00. We have attached the customary companion allotment request documents. However, if you should require any additional information or need further documentation, please feel free to contact Ms. Bernadette Lacap. Your understanding and support is much appreciated.

Thank you.

...tration ...
...IS
...20 2018
...Customer Service

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:

April 2018, No. 3 – Payroll Advance Allotment Request for One Pay Period

TRAN CODE	ACCOUNT NUMBER	AMOUNT	Invoices
190	5639A179964GA201-290	$ 104,800.00	April 2018, No. 3 – Payroll Advance Allotment Request for One Pay Period
			4-2018-003
	TOTAL	$ 104,800.00	

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

2018

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

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

PREPARED BY:

_____ _____ _____
Signature Date

APPROVING OFFICIAL:

Badette Lacap, Senior Accountant _____ April 18, 2018
FINANCE & PROCUREMENT COMMITTEE Signature Date
CERTIFICATION OF FUNDS AVAILABLE

VICTOR A. PEREZ, COMMITTEE CHAIR _____ April 18, 2018
FINANCE & PROCUREMENT COMMITTEE Signature Date

GUAHAN ACADEMY CHARTER SCHOOL

BOARD OF TRUSTEES

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Chairwoman

Hentrick M. Eveluck
Vice Chairman

Jacqui Cyrus, MA, MEd, EdD
Acting Secretary

Victor A. Perez
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Rosie R. Tainatongo
Trustee

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Board Governance and Policy
Finance and Procurement
Grants and Development
Human Resource
Curriculum
Ad Hoc:
Government and Public Affairs
Technology

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

FUNCTION: Guahan Academy Charter School, Inc.
No. 3 – Payroll Advance Allotment Request for One Pay Period

INVOICE: GACS FY 2017-2018-04-2018-003

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.

GUAHAN ACADEMY CHARTER SCHOOL

BOARD OF TRUSTEES

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

DATE: April 18, 2018

TO: Edward Birn
Director,
Department of Administration

FROM: Badette Lacap
Senior Accountant
Guahan Academy Charter School Incorporated

RE: No. 3- Payroll Advance Allotment Request for One Pay Period

Attached are all relevant documents to support the April 2018 Allotment Request (04-2018-003) 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

Allotment Summary

April 2018, No. 3 – Payroll Advance Allotment Request for One Pay Period

4-2018-003

	192218-30H	192897-30H	193553-30H	194116-30H	194700-30H	195287-30H	TOTAL	AVERAGE
	PPE 01/06/18	PPE 01/20/18	PPE 02/03/18	PPE 02/17/18	PPE 03/03/18	PPE 03/17/18	6 PAY PERIOD	PPE
STG, PPE	90,938.47	97,350.81	96,287.53	93,609.87	$ 93,378.24	$ 95,306.53	$ 566,871.45	94,500.00
STG, BEN.FICA	5,638.20	6,051.41	5,954.23	5,803.79	5,789.44	5,908.94	35,146.01	5,900.00
STG, BEN.MED	1,318.65	1,415.29	1,392.42	1,357.38	1,353.98	1,381.97	8,219.69	1,400.00
STG, HEALTH	2,331.28	2,838.42	2,639.16	2,639.16	2,639.16	2,639.16	15,726.34	2,600.00
STG, PROF FEE	338.12	785.12	443.12	380.12	343.37	376.87	2,666.72	400.00
TOTAL	$ 100,564.72	$ 108,441.05	$ 106,716.46	$ 103,790.32	$ 103,504.19	$ 105,613.47	$ 628,630.21	$ 104,800.00