



U.S. Department of the Interior
Office of Inspector General

AUDIT REPORT

**ON-CALL SUBSTITUTE TEACHERS,
DEPARTMENT OF EDUCATION,
GOVERNMENT OF GUAM**

**REPORT NO. 99-I-13
OCTOBER 1998**



United States Department of the Interior

OFFICE OF INSPECTOR GENERAL
Washington, D.C. 20240

OCT 21 1998

Ms. Gloria Nelson
Chairperson
Interim Board of Education
Post Office Box DE
Hagatña, Guam 96932

Subject: Audit Report on On-Call Substitute Teachers, Department of Education,
Government of Guam (99-I-13)

Dear Ms. Nelson:

This report presents the results of our review of the Department of Education's on-call substitute teacher program. The objective of our review was to determine whether the Department complied with applicable laws and budgetary and accounting procedures in its administration of its on-call substitute teacher program. The scope of the audit included, for fiscal years 1996 and 1997, a review of the number and costs of substitute teachers in public schools; the procedures used to administer the selection, use, and payment of substitute teachers; and the sources of and controls over funding for substitute teachers. However, our audit scope was limited because the Department did not have manual or automated records that were adequate to identify and determine the total cost of the on-call substitute teacher program.

We concluded that the Department needed to make improvements in its on-call substitute teacher program. Specifically, the Department paid substitute teachers for hours not worked, for hours worked on nonschool days, and for hours that were not adequately supported by required documents. In addition, the Department did not provide its schools with access to or funding for an adequate number of qualified substitute teachers.

These conditions occurred because the Department had not provided adequate written guidance to the Department's Payroll Section personnel, school timekeepers, and substitute teachers to ensure that the substitute teachers were paid only for hours actually worked and in compliance with the Department's directives. In addition, the shortage of substitute teachers and funding occurred because (1) the Government of Guam's retirement law effectively prevented retired teachers from working as substitute teachers despite a shortage of qualified substitute teachers and (2) the Department, during fiscal years 1996 and 1997, did not allocate sufficient funds to pay for all needed substitute teachers because the Department did not consider and determine all of the costs associated with using school aides as substitute teachers.

As a result, during fiscal years 1996 and 1997, the Department paid the substitute teachers in our sample excess payments of \$10,766 (the total excess payments to all substitute teachers may be as high as \$3 16,000) and unsupported payments of \$10,915 (the total unsupported payments to all substitute teachers may be as high as \$1 million). In addition, the Department's schools sometimes had to combine classes and/or use school aides in lieu of substitute teachers and therefore could not ensure that Guam's public school students received the quality of education intended by Federal law and the Board of Education's goals.

To correct the conditions noted, we recommended that you, as the Chairperson of the Board of Education, instruct the Director of the Department of Education to (1) prepare a single set of written procedures for substitute teacher timekeeping and payroll processing to be issued and used by all school timekeepers and Payroll Section personnel; (2) prepare and distribute a Substitute Teacher Procedures Handbook, which contains guidelines and responsibilities for all substitute teachers, including the specific limitations and rights of substitute teachers relating to payment for services; and (3) perform a financial analysis to estimate the total financial cost of using school aides as substitute teachers and, based on the costs identified, adjust the annual Departmentwide and individual school budget allocations to ensure adequate funding of substitute teachers. Finally, we recommended that you submit a request to the Guam Legislature to amend Title 4, Section 8 121 ("Suspension of Annuity Payments"), of the Guam Code Annotated to exempt retired teachers from the required suspension of retirement benefits when they are employed as on-call substitute teachers.

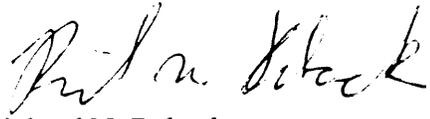
Based on the Department of Education's September 17, 1998, submission (Appendix 2) to the Guam Legislature of draft legislation to allow retired teachers to work as substitute teachers without financial penalty, we consider Recommendation B.1 resolved and implemented. However, we transmitted a draft of this report to you requesting your comments by September 18, 1998, but we had not received a response as of September 30, 1998. Therefore, this final report is being issued without the benefit of your comments, and Recommendations A.1, A.2, and B.2 are unresolved (see Appendix 3).

The Inspector General Act, Public Law 95-452, Section 5(a)(3), as amended, requires semiannual reporting to the U.S. Congress on all audit reports issued, the monetary impact of audit findings (Appendix 1), actions taken to implement audit recommendations, and identification of each significant recommendation on which corrective action has not been taken.

In view of the above, please provide a response, as required by Public Law 97-357, to this report by November 25, 1998. The response should be addressed to our Pacific Field Office, 4 15 Chalan San Antonio, Baltej Pavilion, Suite 306, Tamuning, Guam 969 11. The response should provide the information requested in Appendix 2.

We appreciate the assistance of management and staff of the Department of Education in the conduct of our audit.

Sincerely,

A handwritten signature in black ink, appearing to read "Richard N. Reback". The signature is fluid and cursive, with the first name being the most prominent.

Richard N. Reback
Acting Inspector General

cc: Director, Department of Education
Governor of Guam

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INTRODUCTION

BACKGROUND

The original (1950) version of the Organic Act of Guam (Title 48, Section 142 1 g(b), of the U.S. Code Annotated) stated, “The Governor [of Guam] shall provide an adequate public educational system of Guam, and to that end shall establish, maintain, and operate public schools according to the laws of Guam.” On November 19, 1993, Guam Public Law 22-42 was enacted to repeal and enact a new version of Title 17, Section 3 10 1, of the Guam Code Annotated, which established the Department of Education within the Government of Guam. Section 3 102 of the new version of Title 17 states, “The Department [of Education] shall be administered through the Territorial Board of Education. .. which shall be the governing and policy-making body of the Department.” Further, Section 3 102(a) states that the Territorial Board will hire a Director and Deputy Director of Education.

Prior to April 28, 1997, Education’s primary funding was provided by appropriations from the General Fund. However, on April 28, 1997, Guarn Public Law 24- 17 created the School Operations Fund and changed the Department’s primary source of funding from General Fund appropriations to the Gross Receipts Tax. Under this law, 88 percent of the total monthly collections of gross receipts taxes are to be transferred to the Department of Education. Further, effective on May 21, 1997, Guam Public Law 24-34 amended Title 11 of the Guam Code Annotated by adding Section 26208, which designated the Director of Education as the official responsible for receiving, accounting for, and disbursing all monies in the School Operations Fund.

On February 27, 1998, Guam Public Law 24-142 was enacted to divide the Board of Education into four elected District Boards of Education, each with a District Superintendent. In addition, a restructured Department of Education, with the Director appointed by the Governor, was created to provide guidance to and coordinate the activities of the districts and to “serve as the state educational agency for purposes of Federal statutes, policies, grants, programs and regulations.” This law also provided for the existing school board to serve on an interim basis for a 1 -year transition period and for the election, in November 1998, of the members of the four new District Boards of Education.

During fiscal year 1997, the Department of Education had total revenues of \$168.8 million (\$152.6 million from local sources and \$16.2 million from Federal sources) and total expenditures of \$167.2 million (\$150.6 million from local funds and \$16.6 million’ from Federal funds). During the same fiscal year, the Department had 3,792 employees and administered 36 schools that had a total enrollment of 32,923 students.

During fiscal years 1996 and 1997, the Department employed about 400 individuals each year as substitute teachers for regular elementary, middle, and high school classes; for special

‘Expenditures from Federal funds exceeded revenues from Federal sources because the Department had carryover funds from fiscal year 1996 that were available for use during fiscal year 1997.

education classes; for Language Other Than English (LOTE) classes; and as one-to-one aides for disabled children attending public schools. The Department's Personnel Services Division provided screening of applicants (substitute teachers are required to be high school graduates and obtain police clearances) and issued written certificates to all substitute teachers authorized to work in the public schools. However, because of the transient nature of the jobs and the individuals who worked as substitute teachers, the Department did not budget positions for a specific number of or school locations for substitute teachers. The Department considered substitute teachers as temporary employees who generally were paid only for the hours actually worked.

During fiscal year 1995, while the Department reorganized the on-call substitute teacher program, the Department's central office managed the substitute teacher program budget.² However, for fiscal years 1996 and 1997, the Department emphasized site-based management and in each year allocated \$1.68 million for the substitute teacher program among the 35 schools.³ Each school was delegated responsibility for the daily management of its share of the substitute teacher budget. According to Departmental officials, when schools ran out of funds allocated for substitute teachers, additional funds were allocated by the Department to cover the costs. Although the Department's accounting system could not provide exact amounts, we found that the Department expended at least \$1.9 million in fiscal year 1996 and at least \$2.3 million in fiscal year 1997 for on-call substitute teachers.

OBJECTIVE AND SCOPE

The objective of our review was to determine whether the Department of Education complied with applicable laws and budgetary and accounting procedures in its administration of the on-call substitute teachers program. The scope of the audit included, for fiscal years 1996 and 1997, a review of the number and cost of substitute teachers in the public schools; the procedures used to administer the selection, use, and payment of substitute teachers; and the source of and controls over funding for substitute teachers. However, our review was limited because the Department did not have manual or automated records that were adequate to identify and determine the total cost of the on-call substitute teacher program. For example, the Department was not able to provide, nor were we able to develop using school and payroll records, complete listings of and the costs related to substitute teachers who worked during specified pay periods at the schools reviewed. We visited the Department of Education, the Department of Administration, the Bureau of Budget and Management Research, and 10 public schools (5 elementary, 3 middle, and 2 high schools) to interview officials and review records pertaining to the on-call substitute teacher program.

²Although the Department's budget request included \$3.5 million for on-call substitute teachers for fiscal year 1995, Departmental personnel could not provide information on the actual amount of funding included in the fiscal year 1995 budget for substitute teachers.

³A 36th school was opened in August 1997, and its expenses for substitute teachers are included in the \$2.3 million expended by the Department in fiscal year 1997.

Our review was made in accordance with the “Government Auditing Standards,” issued by the Comptroller General of the United States. Accordingly, we included such tests of records and other auditing procedures that were considered necessary under the circumstances.

As part of the audit, we evaluated the system of internal controls related to the operational and financial management of the on-call substitute teacher program to the extent that we considered necessary to accomplish the audit objective. We identified internal control weaknesses in the areas of payments to substitute teachers and the budgeting for substitute teachers, which are discussed in the Findings and Recommendations section of this report. Our recommendations, if implemented, should improve the internal controls in these areas.

PRIOR AUDIT COVERAGE

During the past 5 years, neither the U.S. General Accounting Office nor the Office of Inspector General has issued any audit reports concerning the Department of Education’s on-call substitute teacher program. However, an independent public accounting firm issued single audit reports on Government of Guam operations for fiscal years 1995 and 1996, which included findings related to the on-call substitute teacher program. Specifically, the 1995 single audit report stated that the Department of Education (1) did not provide Federal grantor agencies with the required estimates of the number of disabled children and the personnel needed to educate them, (2) did not provide all requested time sheets and related payroll records to the auditors, and (3) did not properly authorize payroll records. These findings were still unresolved at the time of the single audit for fiscal year 1996. Although the Department’s single audit for fiscal year 1997 (which began in July 1998) will again be conducted as part of the Government of Guam’s single audit, the Department will be audited as a component unit instead of as a line agency within the Executive Branch.

FINDINGS AND RECOMMENDATIONS

A. PAYMENTS TO SUBSTITUTE TEACHERS

The Department of Education paid substitute teachers for hours not worked, hours worked on nonschool days, and hours that were not adequately supported by required documents. Title 17, Section 3 102(g), of the Guam Code Annotated states, “The Board [of Education] shall establish and approve rules and regulations for the administration of the Department which are consistent with recognized sound business principles and management.” Sections 906.197(3) and (4) of the Board of Education Policy 906.00 (“Certification and Appointments”) establish pay guidelines, qualifications, and restrictions on the use of substitute teachers, and Department of Education Operating Instructions No. 01: 94-47 identifies the official reporting procedures required for processing payments to substitute teachers. Despite these requirements, the Department had not provided adequate written guidance to the Department’s Payroll Section personnel, school timekeepers, and substitute teachers to ensure that substitute teachers were paid **only** for hours actually worked and in compliance with the Department’s directives. As a result, during fiscal years 1996 and 1997, the Department paid the substitute teachers in our sample excess payments of \$10,766 (the total excess payments to all substitute teachers may be as high as \$3 16,000) and unsupported payments of **\$10,9 15** (the total unsupported payments to all substitute teachers may be as high as \$1 million).

According to Departmental records, the Department paid 3 82 substitute teachers \$1.9 million in fiscal year 1996 and 444 substitute teachers \$2.3 million in fiscal year 1997.⁴ We reviewed the Department’s records for payments to substitute teachers for 10 pay periods (5 in fiscal year 1996 and 5 in fiscal year 1997) at 10 of 35 public schools and determined that for the pay periods and schools reviewed, the Department paid 223 substitute teachers a total of \$1 40,620⁵ for 15,7 14.5 hours of work. For these 223 substitute teachers, we traced the hours worked, as recorded in the Biweekly Attendance Sheet (the official payroll document), to (1) the Daily Substitute Teachers Report, (2) the payroll records maintained at the Payroll Section, (3) the personnel records at the Personnel Services Division for 44 of the 223 substitute teachers, and (4) the actual amounts the Department paid to each substitute teacher reviewed. The results of our reviews are discussed in the paragraphs that follow.

⁴Manual and automated records maintained by the Department’s schools and Central office were not adequate to provide a complete and accurate listing of all substitutes who worked and the amounts paid to them. For example, we verified, for 3 of the 10 schools tested, the accuracy of a Department labor distribution report that listed substitute teachers and identified 20 substitutes who had worked at the 3 schools during the pay periods tested but who were not listed in the labor distribution report.

⁵The total does not include payments made by the Department for the Government’s share of Social Security Federal Insurance Compensation Act tax and Guam retirement system contributions. Although the labor distribution report for substitute teachers included these amounts, the reports did not include all substitute teachers. Therefore, we did not estimate the total amount of Government contributions.

Excess Payments

Board of Education Policy 906.197(4) states, "Short-term appointees and on-call substitutes ... are entitled to pay only for hours worked, except that assignment for five (5) consecutive school days or more (to substitute for the same teacher) shall entitle the person to pay for an eight-hour day beginning on the sixth day 'if the assignment includes lesson preparation/grading. '" Further, in memoranda dated September 14, 1995, and September 5, 1996, the Associate Superintendent, Special Education, notified all school principals that the "Fair Labor Standards Act (FLSA) requires that an employee be granted a minimum of a one-half hour lunch. The hours paid are exclusive of the lunch hour." Finally, principals at 2 of the 10 schools reviewed had prepared substitute teacher handbooks, and one of the handbooks provided substitute teachers with instructions for keeping and submitting time sheets, stating that "substitute teachers will be paid for only the hours they have worked during the day."

We determined that the Department paid substitute teachers \$10,766 (of the \$140,620) for 1,171 hours in excess of hours authorized by substitute teacher payment guidelines. The excess payments included payments for lunch periods, 8-hour days before the substitute teachers qualified under the extended work provision of Board of Education Policy 906.197(4), and work during days when children were not present because of such activities as parent/teacher conferences. The Payroll Section Supervisor told us that she "misunderstood" the guidelines on extended substitute teaching. The school timekeepers at the 10 schools reviewed stated that the Payroll Section had instructed them to pay substitute teachers for 8 hours per day from the first day of an extended teaching assignment instead of from the sixth day, as required by Departmental policy. According to school timekeepers, substitute teachers were used for parent/teacher conferences when they filled vacant teaching positions. Although we believe that this practice is reasonable, we questioned the payment of \$8.19 for 9.1 hours charged on nonteaching days because the written guidance provided by the Department does not address this issue. Based on the results of our limited review of payments to substitute teachers, we estimated that the Department could have overpaid substitute teachers as much as \$132,700 in fiscal year 1996 and \$183,900 in fiscal year 1997.

Unsupported Payments

Department of Education Operating Instructions No. 01: 94-47 states, "Principals shall: complete the attached Daily Substitute Teacher Report for every day that a substitute is used; and submit it and the attendant information. . . to the Payroll Section at the end of each pay period." The Daily Substitute Teacher Report form states, "The teachers' leave form and substitutes' time sheets must be attached to this form." In addition, the report form requires that the payroll clerk sign the document and the school administrator certify that the report is correct.

We reviewed records for five pay periods at three schools (one elementary, one middle, and one high school) and determined that the Department paid substitute teachers at least \$10,915 for 1,199 hours without the documentation of Daily Substitute Teacher Reports to support that the substitute teachers actually worked and replaced a particular teacher or performed

an authorized teaching assignment. According to the timekeepers at the three schools, this condition occurred for reasons such as the following: (1) the aide assigned to complete the forms "did not do the job properly," (2) the alternate timekeeper "didn't make the proper entries," and (3) the responsible individuals "made errors in filling out the forms" through oversights. Although we did not quantify the dollar impact for the other seven schools tested, we did note similar problems at each of the other schools. For example, officials at one middle school could not locate any records for the pay period ending October 14, 1995, and officials at another middle school did not prepare the Daily Substitute Teacher Reports. Based on our limited review, we estimated that the Department may have paid substitute teachers as much as \$769,100 in fiscal year 1996 and \$230,500 in fiscal year 1997 without adequate support for the payments.

Recommendations

We recommend that the Chairperson of the Board of Education instruct the Director of the Department of Education to:

1. Update and consolidate the written procedures for substitute teacher timekeeping and payroll processing to be issued to and used by all school timekeepers and Payroll Section personnel.
2. Prepare and distribute a Substitute Teacher Procedures Handbook which contains guidelines and responsibilities for all substitute teachers, including the specific limitations and rights of substitute teachers relating to payment for services.

Board of Education Response and Office of Inspector General Reply

The Board of Education did not respond to the draft report. Therefore, Recommendations 1 and 2 are unresolved (see Appendix 3).

B. ACCESS TO AND FUNDING FOR SUBSTITUTE TEACHERS

The Department of Education did not provide its schools with access to or funding for an adequate number of qualified substitute teachers. Title 48, Section 1421g(b), of the U.S. Code Annotated states, “The Government of Guam shall provide an adequate public educational system of Guam.” In addition, the Board of Education adopted, as one of its nine educational goals, the goal of ensuring that every adult on Guam possesses the knowledge and skills necessary to compete in a global economy. The shortage of substitute teachers occurred, at least in part, because the Government of Guam’s retirement law effectively prevented retired teachers from working as substitute teachers despite a shortage of qualified substitute teachers. In addition, during fiscal years 1996 and 1997, the Department did not allocate funds to pay for a sufficient number of substitute teachers because it did not consider and determine the incremental costs necessary to hire additional substitute teachers instead of using school aides in lieu of substitute teachers. As a result, the Department’s schools had to combine some classes **and/or** use school aides in lieu of substitute teachers and therefore could not ensure that Guam’s public school students received the quality of education intended by Federal law and the Board of Education goals.

Obtaining Qualified Substitute Teachers

Title 4, Section 8 12 1 (“Suspension of Annuity Payments”), of the Guam Code Annotated states, “A retired member who subsequently becomes an employee not ineligible for membership. . . shall upon becoming so employed, have his right to receive payment of his annuity suspended for the duration of his employment.” This section of the Code also provides an exemption for certain categories of personnel employed (not temporarily) as (1) classroom teachers when a critical need arises; (2) Chamorro language teachers; and (3) hospital personnel, such as nurses. However, the section does not provide an exemption for retired teachers temporarily employed as substitute teachers. According to school principals and Departmental administrators, retired teachers, although they would like to work as substitute teachers, could not **afford** to lose their retirement benefits while being employed as substitute teachers. Departmental officials also stated that retired teachers had “far more to offer students” (because of their teaching experience) than most of the other substitute teachers.

Officials at the 10 schools reviewed stated that they often had a shortage of substitute teachers and had to address the problem in different ways, including having the principal or assistant principal teach the classes and combining some classes to provide adult supervision. Officials at two of the three middle schools and at both high schools reviewed told us that classes had to be combined because of a shortage of substitute teachers. For example, during our testing of the pay period ending February 3, 1996, we noted that at one high school, for 8 of the 10 school days during the pay period, the lack of substitute teachers necessitated combining from 6 to 11 classes per day in the school cafeteria. In addition, during the same pay period, one of the high school mathematics classes spent 1 week in the cafeteria. Departmental administrators stated that students learn very little in such a situation when compared with learning in a classroom environment. In our opinion, public school students,

because of the effects of the retirement law, did not have the benefit of both the teaching experience and the additional number of substitute teachers who would have been available from the ranks of retired teachers.

Funding for Substitute Teachers

Title 17, Section 3 102(g), of the Guam Code Annotated directs the Department of Education to establish rules and regulations that are consistent with recognized sound business principles and management. In addition, Section 906.197 of Department of Education Board Policy 906.00 (“Certification and Appointments”) requires that substitute teachers be high school graduates. Further, Department of Education Special Instruction No. 95-9 states, “School aides assigned to classrooms, except the computer lab, are not to be used for regular classroom substitute purposes.” Finally, the school aide job descriptions state, and our review of school aide personnel files confirmed, that school aides were not required to have high school diplomas to be either employed or promoted.

To calculate the annual budget allocation for fiscal years 1996 and 1997 for substitute teachers and to distribute the funds among the 35 public schools, the Department’s central office used a formula based on the prior year’s expenditures for substitute teachers and the percentage of teacher absences. However, according to Departmental administrators, the Department’s budget allocation for substitute teachers did not reflect the schools’ use of school aides as substitute teachers because information was not available on the incremental costs necessary to hire an adequate number of substitute teachers. Based on our review, we determined that the schools did not maintain records of the frequency or cost of using school aides as substitute teachers because the aides were detailed from other duties at the same schools. Officials at all 10 of the schools reviewed stated that they frequently had to use school aides as substitute teachers, and officials at 6 of the 10 schools specifically cited a shortage of funding for substitute teachers as the reason why school aides were used in lieu of substitute teachers. According to Departmental officials, the Department, although funding allocations for substitute teachers may have been insufficient, provided schools with additional substitute teacher funding as needed and requested. However, for the schools that used aides to substitute teach, public school students did not have the benefit of the teaching experience and training provided by on-call substitute teachers and may not have received adequate instruction from the school aides used in lieu of substitute teachers.

Recommendations

We recommend that the Chairperson of the Board of Education:

1. Submit a request to the Guam Legislature to amend Title 4, Section 8 121 (“Suspension of Annuity Payment”), of the Guam Code Annotated to exempt retired teachers from the required suspension of retirement benefits if they are employed as on-call substitute teachers.
2. Instruct the Director of the Department of Education to perform a financial analysis to estimate the total financial cost of using school aides as substitute teachers and,

based on the costs identified, adjust the annual Departmentwide and individual school budget allocations for on-call substitute teachers to ensure adequate funding of substitute teachers.

Board of Education Response and Office of Inspector General Reply

In response to Recommendation 1, the Department of Education's legal counsel provided us, by letter dated September 18, 1998 (Appendix 2), a copy of draft legislation which was submitted to the Chairman, Committee on Education, Guam Legislature, on September 17, 1998. The legislation would amend Title 4, Section 8 12 1, of the Guam Code Annotated to allow retired teachers to be hired as substitute teachers without financial penalty. Based on the draft legislation submitted, we consider Recommendation 1 resolved and implemented. However, the Board of Education did not respond to the draft report. Therefore, Recommendation 2 is unresolved (see Appendix 3).

CLASSIFICATION OF MONETARY AMOUNTS

<u>Finding Area</u>	<u>Funds To Be Put To Better Use*</u>
A. Payment of Substitute Teachers	
Excess Payments	\$10,766
Unsupported Payments	<u>10,915</u>
Total	<u>\$21,681</u>

*The amounts represent local funds.



DEPARTMENT OF EDUCATION

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ROLAND L.G. **TAIMANGLO**
Director of Education

FRED **NISHIHIRA**
Legal Counsel

ALINE A. YAMASHITA, PH.D.
Deputy Director of Education

September 18, 1998

Mr. Bill Prowse
Senior Auditor
Office of the Inspector General

RE: Substitute Teachers

Dear Mr. Prowse:

Enclosed please find a copy of the draft bill requesting the Legislation to amend Title 4, section 8 12 1.

A copy of the draft bill was delivered via hand to Senator Larry Kasperbauer's (Chairman, Committee on Education) office on September 17, 1998.

If you have any questions, please feel **free** to contact me at 4750457.

Thank you.

Sincerley,

A handwritten signature in black ink, appearing to read "Fred Nishihira".

Fred Nishihira
Legal Counsel

billprowse:/legal

COMMONWEALTH NOW!





DEPARTMENT OF EDUCATION

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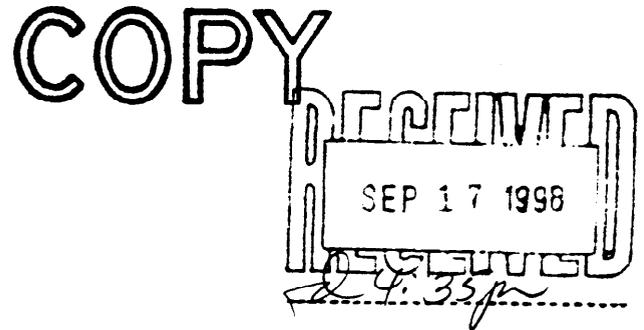


ROLAND L. G. TAIMANGLO
Director of Education

ALINE A. YAMASHITA, Ph.D.
Deputy Director of Education

September 17, 1998

Senator **Larry F. Kasperbauer**
Chairman, Committee on Education
Ada's Prof. & Commercial Bldg.
Suite 106F
215A Chalan Santo Papa
Hagatna, Guam 969 10



Dear Mr. Chairman:

Please find attached a copy of the draft bill discussed with Mr. Fred Nishihira - Legal Counsel.

This bill allows the Department of Education to recruit necessary physical therapists for our schools. If you have any further questions, or comments please contact our legal counsel at 475-0457.

Sincerely,

ROLAND TAIMANGLO
Director, Dept. of Education



**MINA' BENTE KAUTTRO NA LIHESLATURAN GUAHAN
1998(SECOND) Regular Session**

Bill No. _____

Introduced by:

Larry Kasperbauer

AN ACT TO AMEND 4 GCA § 6504.1 TO EXCLUDE THE DEPARTMENT OF EDUCATION FROM THE PROHIBITION OF DUAL EMPLOYMENT FOR THE PURPOSE OF RECRUITING HEALTH MEDICAL PROFESSIONALS AND TO AMEND 4 GCA §8121 RELATIVE TO WANING RETIREMENT ANNUITY FOR SUBSTITUTE TEACHERS AND PHYSICAL THERAPIST.

1. BE IT ENACTED BY THE PEOPLE OF GUAM:

2. Section 1. Legislative Findings and Intent. The I Liheslaturan Guahan
3. finds that the Department of Education must provide a free and appropriate education to all
4. students enrolled in our public schools. The Liheslaturan Guahan further finds that there is
5. a shortage of nurses and physical therapist in the school system and that their services are
6. required at schools for safety reasons as well as to meet the special education needs
7. of some students . In an effort to assist the Department of Education in recruiting
8. the necessary health professionals the I Liheslaturan Guahan intends to lift the prohibition of
9. dual employment for nurses, physicians, physical therapist and others.

10. Section 2. 4GCA§6504.1 i s amended to read:
11. "6504.1 Dual Employment Prohibited. No employee of the
12. government of Guam may be employed on a full-time, part-time, or contractual basis
13. by more than one (1) department, agency or branch of the government of Guam at any time
14. except for; (1) persons serving as part-time teachers and University of Guam instructors for
15. the Guam Community College and instructors for the University of Guam who may
16. be employed during the summer; (2) persons employed by the Youth Congress; (3) persons
17. employed on a part-time basis by boards of commission; (4) persons employed as

18. nurses, physicians, physical therapist, and as ancillary health professionals
19. in the Guam Memorial Hospital Ancillary Services or the Department of Education;
20. (5) attorneys engaging in the active practice of law, or part-time judges
21. or part-time court referees, or (6) Persons employed on a part-time or contractual basis who
22. are individual and family counselors chemical dependency specialists.”

23. **Section 3. 4 G C A § 8 1 2 1 is amended to read:**

24. **“§8121. Same. Suspension of Annuity Payment.** A retired member who subsequently
25. becomes an employee not ineligible for membership under Section 8 106 of this Title
26. shall upon becoming so employed, have his right to receive payment of his annuity suspended
27. for the duration of his employment, but all other rights pertaining to his annuity provided
28. by the Chapter, including automatic increases therein, shall be retained to him. The
29. provisions of this Section shall not be applicable to any person employed by the
30. Department of Education in Guam schools such as, a substitute teacher, a classroom
31. teacher, guidance, ~~or~~ health counselor or nphysical theranist when such critical need arises.
32. Such employment shall be on a school year basis under contractual agreement. The
33. provisions of this Section shall not be applicable to any certified, registered, or licensed
34. health care professional or ancillary service personnel employed by the Guam Memorial
35. Hospital Authority provided that such person occupies a position for which no
36. other qualified applicants were available, or for which a critical need exists.”

STATUS OF AUDIT REPORT RECOMMENDATIONS

Finding/Recommendation Reference	Status	Action Required
A.1	Unresolved.	Reconsider the recommendation, and provide a response indicating concurrence or nonconcurrence. If concurrence is indicated, provide a plan of action that identifies the target date and the title of the official responsible for updating and consolidating the written procedures for substitute teacher timekeeping and payroll processing which are to be issued to and used by all school timekeepers and Payroll Section personnel.
A.2	Unresolved.	Reconsider the recommendation, and provide a response indicating concurrence or nonconcurrence. If concurrence is indicated, provide a plan of action that identifies the target date and the title of the official responsible for preparing and distributing the Substitute Teacher Procedures Handbook, which contains guidelines and responsibilities for all substitute teachers, including the specific limitations and rights of substitute teachers relating to payment for services.
B.1	Implemented.	No further action is required.
B.2	Unresolved.	Reconsider the recommendation, and provide a response indicating concurrence or nonconcurrence. If concurrence is indicated, provide a plan of action that identifies the target date and the title of the official responsible for performing a financial analysis to estimate the total cost of using school aides as substitute teachers and, based on the costs identified, for adjusting the annual Departmentwide and individual school budget allocations for on-call substitute teachers to ensure adequate funding of substitute teachers.

**ILLEGAL OR WASTEFUL ACTIVITIES
SHOULD BE REPORTED TO
THE OFFICE OF INSPECTOR GENERAL BY:**

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Calling:

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U.S. Department of the Interior
Office of Inspector General
1849 C Street, N.W.
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