

GUAM DEPARTMENT OF EDUCATION FINANCIAL SUPERVISORY COMMISSION (EFSC)

Virtual Zoom Meeting

January 21, 2021

MEETING MINUTES

AGENDA	DISCUSSION/TOPIC	ACTION/ STATUS														
In Attendance	<table><tr><td>Vanessa Valencia, OFB</td><td>Lou Perez, GDOE</td></tr><tr><td>William Taitingfong, BBMR</td><td>Joy Bulatao, GDOE</td></tr><tr><td>Vincent Duenas, OPA</td><td>Helen Legaspi, GDOE</td></tr><tr><td>Grace Edrosa, DOA</td><td>Justin Castro, GDOE</td></tr><tr><td>Carol Hinkle-Sanchez, Parent Representative</td><td>Senator James Moylan, 36th Guam Legislaature</td></tr><tr><td>Zeny Asuncion, GDOE Deputy Superintendent</td><td>Senator Tony Ada, 36th Guam Legislature</td></tr><tr><td></td><td>Michelle Manibusan, Senator Telena Nelson Office</td></tr></table>	Vanessa Valencia, OFB	Lou Perez, GDOE	William Taitingfong, BBMR	Joy Bulatao, GDOE	Vincent Duenas, OPA	Helen Legaspi, GDOE	Grace Edrosa, DOA	Justin Castro, GDOE	Carol Hinkle-Sanchez, Parent Representative	Senator James Moylan, 36 th Guam Legislaature	Zeny Asuncion, GDOE Deputy Superintendent	Senator Tony Ada, 36 th Guam Legislature		Michelle Manibusan, Senator Telena Nelson Office	
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I. Call to Order	MEETING WAS CALLED TO ORDER ON VIRTUAL ZOOM PLATFORM AT 3:00PM.															
II Review and Approval Minutes a. December 17, 2020	BBMR Item II of the agenda, approval of December 17, 2020 minutes. BBMR acknowledged the presence of Senator Tony Ada of the Thirty-Sixth Guam Legislature. BBMR asked and OFB confirmed draft minutes were completed by OFB based on notes as there was no recording of the meeting. BBMR asked whether EFSC had approved an FSD and OFB responded no. OFB has been receiving financials from GDOE but not the final FY20 September 2020 financials so it was not placed on the EFSC December meeting agenda. BBMR acknowledged the presence of Senator James Moylan of the Thirty-Sixth Guam Legislature. Referencing Item E on Page 3 of the minutes [GDOE FY2021 12 Month Operations Plan], OPA reminded members OPA had abstained from voting on this matter and requested that action be reflected in the December 17, 2020 minutes. OFB moved to approve the December 17, 2020 minutes, subject to corrections; motion was seconded by Parent Representative and without object, motion carried.															
III. Old Business a. GDOE Cash Report FY2020	GDOE distributed FY21 Cash Update. As of January 20, 2021 GDOE, total FY21 cash received GF Operations \$54,064,720 cash received, GF Chamorro Studies \$158,096 cash received, GF SSHS Procurement \$153,840, GF Supplemental \$1,629,117.47: PLRF \$63,016, HFF-Ops \$308,685. Grand Total Cash received \$56,377,474.47.															

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Parent Representative asked whether federal funding received is included in the report or is it in another report. GDOE responded the report is only on FY21 local appropriations under PL 35-99. Parent Representative stated she would like an update on federal funds received – the additional \$110M from COVID again. GDOE FAS Deputy stated it has a federal programs section that is separate from local which is overseen by Ignacio Santos; he is the administrator of all federal funding GDOE receives: including the CARES Act, the ESF-SEA – the initial \$41.5M GDOE received that GDOE received earlier. She stated she would get the report for Parent Representative.

Parent Representative next question on the Limited Gaming, it says to repair and construct facilities – what this encompasses. GDOE responded Limited Gaming (funding) is for sports (facilities), such as maintenance of the gyms and other repairs for any sports facilities in the schools. Parent Representative asked has GDOE ever have the discussion of sharing that amount (appropriation) equally among the schools. BBMR recalled Parent Representative had previously inquired the same in FY2020: what the fund were used for which GDOE provided a response – canopy repairs for at least 3 schools; it's based on the availability of funds, how much GDOE can cover and the cost of repairs. BBMR recalled this information was provided by the GDOE CIP office. BBMR requested GDOE to ask the CIP Office what is budgeted for in FY2021.

GDOE Deputy stated there is an order of priority like a pecking order as to which one is in need of the most assistance; GDOE's Facilities and Maintenance Manager inspects the schools, together with the principals and he determines which ones are needed the most assistance. It is not an equal allocation to each school. GDOE Deputy asked Parent Representative to share her list with GDOE and she would elevate it to the Facilities and Maintenance (and to the Superintendent).

BBMR stated GDOE (Facilities & Maintenance) probably already has a pecking order (a running list of all needed or reported repairs) so if they can share that listing with the EFSC. GDOE Deputy stated ESCL Deputy oversees all the 41 schools, they meet on a regular basis as to what their needs are and the Facilities and Maintenance manager always attends those meetings to address not just the facilities itself but also (contracted services and supports for the facilities) cleaning, grass-cutting, trash collections.

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b. Reconciliation of Cash Disbursements	<p>DOA distributed the Cash Disbursement Report and noted the report reconciles with GDOE. DOA stated they have not released any funds from Limited Gaming; all the special funds no funds have been released which is due to the revenue collections from those specific funds. For example, TEFF funds are generated from real property taxes. So come next month, towards the end of February (when real property payments come in) there should be money coming (cash releases to GDOE) from that fund. For limited gaming, because a lot of the gaming facilities are not in operations, there really are no revenues being collected for that fund. Once gaming facilities starts to restart operations, the revenue should start coming in.</p> <p>GDOE Deputy stated \$15M of GDOE's appropriations is coming from the TEFF and asked DOA when could GDOE expect to start realize cash distributed from that fund. DOA restated it will have to be end of February when they learn how much has been collected. Even though we have a projection for property taxes, if property owners do not meet the actual payments – even if we have that projection, we may not realize the full total amount appropriated. We will know by the end of February what the percentage of the collections is.</p>
c. BBMR Appropriation/Allotment Status	<p>BBMR stated let's move to the BBMR Appropriation/Allotment Status Reports item III. BBMR distributed the BBMR Appropriation/Allotment Status Report FY2021 as of January 21, 2021: GF Operations appropriation \$175,710,358, YTD allotment released \$61,353,414, YTD expended \$54,064,720, available \$7,288,694 YTD unallotted \$114,356,944; Simon Sanchez appropriation \$500K, allotment \$250K released, \$153,840 expended, \$96,160 available, YTD unallotted \$250K; Chamorro Studies appropriation \$513,824, YTD allotment \$167,681 released, YTD expended \$158,096, available \$9,585, YTD unallotted \$346,143; Advanced Textbooks appropriation \$1.5M, allotment \$750K released, \$0 expended, \$750K available, YTD unallotted \$750K; GF Supplemental appropriation \$2,675,954.99, YTD allotment released \$2,675,954.99, YTD expended \$1,629,117.47, available \$1,046,837.52; Total GF appropriation \$180,900,136.99, YTD allotment \$65,197,049.99 released, YTD expended \$56,005,773.47, Available \$9,191,276.52, YTD unallotted \$115,703,087.</p> <p>TEFF Operations appropriation \$15,036,704, YTD allotment \$5,966,742 released, YTD expended \$0, YTD \$5,966,742 available, YTD unallotted \$9,069,962; ADRMS appropriation \$40K, YTD allotment \$15,000 released, YTD expended \$0, YTD \$15,000 available, YTD unallotted \$25,000; School Grounds Maintenance appropriation \$385,022, YTD released \$128,340, YTD expended \$0, YTD \$128,340 available, YTD unallotted \$256,682. Total TEFF appropriations \$15,461,726, YTD allotment release \$6,110,082, YTD expense \$0, YTD available \$6,110,082, YTD unallotted \$9,351,644.</p>

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<p>d. Accounts Payable Aging</p>	<p>PLRF appropriation \$915,082, YTD allotment \$305,028 released, YTD expended \$63,016, YTD available \$242,012, YTD unallotted \$610,054. HFF-Operations appropriation \$891,754, YTD allotment \$308,685 released, YTD expended \$308,685, YTD available \$0, YTD unallotted \$583,069; LG-Sports Facilities appropriation \$535,801, YTD allotment \$267,900 released, YTD expended \$0, YTD available \$267,900, YTD unallotted \$267,901. Grand total appropriation (excluding \$1,568,000 JFKHS add'l rents maintenance and insurance) \$198,704,499.99, YTD allotment release \$72,188,744.99, YTD expended \$56,377,474.47, available \$15,811,270.52, unallotted \$126,545,755.</p> <p>BBMR noted although there are allotment releases, for like Public Library and the Limited Gaming, that is based on when BBMR loaded the budget it is based on an approved allotment schedule from GDOE and because the BBMR is restricted from placing any reserves on GDOE appropriations – what is being reflected is what was requested by GDOE monthly.</p> <p>GDOE recognized and acknowledge presence of Senator Tony Ada, his first time to join in an EFSC meeting; and thanked Senator Jim Moylan for his third or fourth time joining the EFSC meeting. Perhaps we can work on – some of these payables which will be now reported, some are covid-19 related payables that is not really in GDOE's budget but are impacting the GF Appropriations. GDOE has requested DOA for supplemental (reimbursement) funding for these expenditures incurred against GDOE's GF Operations that is not budgeted for.</p> <p>BBMR asked whether GDOE submitted a reimbursement from FEMA for some of those costs. GDOE affirmed but with FEMA for everyone dollar in reimbursable you only get .75 cents. GDOE submitted about \$600K in its request but FEMA said they'd only be able to give GDOE less than \$100K – that was about 3 months ago – last communication (follow-up) was first week of January 2021, FEMA told GDOE to check on their side (GovGuam) but they were still reviewing some of the invoices [less than \$100K] for possible reimbursement.</p> <p>BBMR moving onto Item 3d the Accounts Payables Aging reports: as of January 16, 2021, total AP Aging Balance of \$4,961,700.94: \$137,918.49 current; \$1,515,189.28 is 30-60 days; \$2,169,041.44 is 60 to 90 days; \$1,139,551.73 is 90 days and over. NOTE: Payment Schedule for January 22, 2021: Deloitte & Touche - \$25,000; GPA \$604,852.59; GWA \$105,080; JRN Aircon \$200,000; Sodexo \$240,860; Goodland \$24,558; Invoices \$500 or less in the 90 days and older - \$3,300. GRAND TOTAL \$1,203,650.59. GDOE Deputy noted most of scheduled payment are only a portion of what GDOE owes</p>	
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and are according to a payment plan schedules agreement with the vendors until the TEFF cash disbursements are received. Vendor payments for first quarter (October thru January) are the hardest payments for GDOE because of the timing in receipt of cash received against TEFF appropriations.

BBMR asked whether \$1.2M scheduled payment is it being applied to the 60 and 90 days over. GDOE replied it is overall, however, majority is for payables due 90 days and over, except for GPA – GPA billings are due in full.

Parent Representative asked what total amount was submitted or applied for from FEMA. GDOE stated they applied for more than \$600K and they're only going to give GDOE less than \$100K. GDOE had asked for reimbursement of some of cleaning services, which ranged over a six-month span but FEMA only wants to give GDOE between 1 to 1 and a half-month span and only for certain schools (cleaning) depending on what the requirements were: some examples for a school if they didn't have any positive (COVID-19) cases they wouldn't pay us.

Parent Representative asked is that a requirement for that (FEMA) money or what was the decision (basis) on why they only wanted to give GDOE less than \$100K. GDOE Deputy affirmed that was the (FEMA) response for all requests. At first, FEMA wanted to cover the costs for glass shields but then they turned it down because they said they are not funding that in their policies anymore. GDOE also met personally with a FEMA representative who was on island at the time; there was a lot of discussion but ultimately, they came back and responded they can only reimburse GDOE if there were positive cases of Covid-19 at those schools. Out of the total \$600K requested, only about \$90K was approved.

Parent Representative stated she is asking because of the presence of the Senators – because maybe that can be investigated. For the most part, most agencies during the period did not have to go to work. I feel like they should be funding agencies that went to work; that remained at work. Education to me is a priority – they should have prioritized those agencies that are continuing to work and are still having to work through this period. We are all back to work now but I am just curious as to what agencies they are including (for FEMA reimbursement) and how they made that determination that there must be positive covid-19 cases to get that money for reimbursement. Especially, where it was already expended by the agency during this period.

GDOE Deputy just so the two Senators present should know, there are some precarious situations in our food distribution (activities) – they go face to face every day, having this risk (exposure to COVID-19). There are some schools where there are positive cases of covid-19 but there are some that do not have. So, to be able to distinguish one from the other – it has been a dilemma.

IV. FY 20 FSD Reports a. September 2020	<p>BBMR Moving on to Item IV. a. FY2020 Financial Status Designation reports for the month ending September 2020.</p> <p>BBMR asked why Column G isn't – Projected Remaining Expenditures in the report populated. OFB responded there are none because the September FSD is at year-end. OFB noted they have been receiving financials from GDOE – FY2021 for October, November, and December – and by next EFSC meeting OFB hopes to provide completed drafts FSD reports for the Commission members.</p> <p>BBMR stated it would be good to be caught up on the reports; and noted, the EFSC approved FY20 August FSD will be transmitted to GDOE and perhaps if September is approved, both FSD reports can be transmitted at the same time.</p> <p>BBMR noted FY20 September FSD report indicated: C watches in overtime, misc., power, and capital outlay; and B-Warnings in salaries, overtime, and misc. BBMR asked OFB the C-Watch in capital outlay is caused by there is no appropriations for capital outlay. OFB stated based on budget modifications, it zeroed out whatever appropriations that were there. They would check back with GDOE.</p> <p>BBMR cautioned modifications are in each object class but not in the AS400 the accounts are set up due to the lump sum to GDOE as opposed to categories. So, any reprogramming of funds internally between object classes, we don't see on our end (in the AS400 system).</p> <p>Parent Representative asked is the capital outlay (expenditure) – was that for the construction that was happening at the schools to accommodate COVID-19. GDOE Deputy no, this was for the SSHS [which is also] partly funded by DOI money; the funds are in reserve, it is right now going through the A & E design phase – that is what it is for. For those construction at the schools – for example, they're building a separate room, a screening area - when they think that a student may have contracted something, so they isolate the students into this room and that is federally funded. BBMR reminded members but if that was federally funded, it should not be in this report. BBMR stated the \$19.7M reflected in the report as expenditures is more than just the SSHS. GDOE Deputy affirmed there are other schools reflected in that amount [JFKHS, OHS, and Tiyan – lease payments, additional rents, and insurance and maintenance expenses].</p> <p>Parent Representative asked so GDOE has \$110M in federal funds that could be used for Capital Outlay to construct accommodations to the students to come back to school (face to face), are these amounts including things like that – can we have a breakdown of some of that. OFB reminded members these</p>
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<p>V. New Business • Next Meeting Date and Time</p> <p>VI. Adjournment</p>	<p>expenditures include [and are primarily] lease payments. BBMR concurred and added these are those lease payments that are appropriated in the Budget Act under debt service.</p> <p>GDOE Deputy stated she does have a listing of the projects (capital outlay) and BBMR responded but they would not be reflected under 450 Capital Outlay, these would be listed under 230 Contractual object categories – inclusive of the Limited Gaming appropriation for Sports Facilities. BBMR asked if GDOE could provide a listing of capital outlay what GDOE expended those funding for. OFB affirmed they would provide an email requesting the list of information being requested.</p> <p>OFB motioned to approve the FY2020 September 2020 Year-End FSD report subject to corrections; seconded by DOA and without objection, motion carried. BBMR announced they would include the report with the previously approved August 2020 FSD and transmit it to the GDOE Guam Education Board (GEB) accordingly.</p> <p>Next item V. New Business / Next meeting. BBMR asked if GDOE has already submitted its FY2022 Budget Request. GDOE Deputy responded the FY2022 Budget Request is still being deliberated on by the GEB; there are new GEB members who just came on board. BBMR requested an electronic copy of the GDOE's FY2022 Budget Request once it has been approved. OFB also noted they had sent a formal request to GDOE of the same to include electronic and hard copies of the GDOE FY2022 Budget Request.</p> <p>OFB suggested tentative Thursday, February 18, 2021 for next meeting and without objection, EFSC February Meeting be scheduled for February 18, 2021 via virtual zoom. GDOE expressed appreciation on the presence of Senators Moylan and Ada. Senator Moylan stated he placed a question to GDOE on the chat and if GDOE could provide a response [NOTE: question is not reflected on the chat or verbalized in the zoom recording].</p> <p>With no further business OFB motioned to adjourn, seconded by Parent Representative and without objection, meeting was adjourned at approximately 4:11pm.</p>	
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