

**EDUCATION FINANCIAL SUPERVISORY COMMISSION**

Virtual Zoom Meeting Minutes

March 24, 2022

AGENDA	DISCUSSION/TOPIC		ACTION/STATUS												
In Attendance	Arlita Mabini - GDOE Calen Meno - Office of Sen. Telenia Nelson Carol Hinkle Sanchez - Parent Representative Franklin Cooper-Nurse - GDOE Helen Legaspi - GDOE Isaiah Aguon - KUAM News Joy Bulatao - GDOE Mary Grace Edrosa - DOA Sheena Mitchell - GDOE Tiara San Agustin - GDOE Vanessa Valencia - OFB Vincent Duenas - OPA William Taitingfong - BBMR														
I. Call to Order	The Bureau of Budget and Management Research (BBMR) called the meeting to order at 3:01 p.m. on Mar. 24, 2022.														
II. Review and Approval of Minutes															
a. Feb. 17, 2022	The Office of Finance and Budget (OFB) stated not receiving the minutes and requested BBMR to table the item.		Tabled												
III. Old Business															
a. GDOE Cash Update Report	As of Mar. 24, 2022, the Guam Department of Education (GDOE) reported cash receipts as follows: <table><tr><td><b>Fund</b></td><td><b>Cash Receipts</b></td></tr><tr><td>GF Operations</td><td>\$82,397,775.00</td></tr><tr><td>GF CHamoru Studies</td><td>\$256,906.00</td></tr><tr><td>GF SSHS Procurement</td><td>\$249,990.00</td></tr><tr><td>GF Textbook</td><td>\$0</td></tr><tr><td>GF Bonuses, Rewards, Incentives Program</td><td>\$500,006.00</td></tr></table>		<b>Fund</b>	<b>Cash Receipts</b>	GF Operations	\$82,397,775.00	GF CHamoru Studies	\$256,906.00	GF SSHS Procurement	\$249,990.00	GF Textbook	\$0	GF Bonuses, Rewards, Incentives Program	\$500,006.00	
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	<p>expenditures of the Limited Gaming Fund for the next meeting. In addition to local funds, GDOE received funds from the American Rescue Plan (ARP) to address school facilities. GDOE is currently in the planning, requisition, and procurement stages for items such as canopies, restrooms, and playgrounds. Once the process is moving through requisition, GDOE will provide an update to the Education Financial Supervisory Commission (EFSC). In the meantime, GDOE could provide an outlook of the alignment of ARP as it pertains to capital improvement projects (CIPs).</p> <p>Parent Representative asked if southern schools (e.g., H.S. Truman Elementary with two broken playgrounds) could be prioritized as well. GDOE replied that funds were limited in the past and the timing of implementing priority projects is unknown at this point. GDOE's approach is do one project (e.g., canopy repairs/installation) for all schools at a time. GDOE received limited funding from the U.S. Department of Interior in the past, and now widened the scope of CIPs with the infusion of ARP.</p> <p>BBMR asked for the ARP amount. GDOE replied that the initial projected amount was \$140 million (M) of the \$286M grant award. However, the amount decreased due to reprogramming of funds to cover operational shortages. GDOE was shorted in its request for local appropriations.</p> <p>OFB asked GDOE to provide a schedule of ARP allocation and expenditures as soon as possible. GDOE asked OFB to provide specifics and e-mail its request.</p> <p>BBMR added that it received and posted on its website the breakdown of the ARP, Coronavirus Response and Relief Supplemental Appropriations, and Coronavirus Aid, Relief, and Economic Security funds awarded to the GDOE. BBMR received the information from GDOE's Federal Programs Division. BBMR has been updating the website posting every month, but has not received information past January 2022.</p>	<p>Limited Gaming Fund to the EFSC.</p> <p>OFB to e-mail its request for a schedule of ARP allocation and expenditures to the GDOE.</p>

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	<p>GDOE asked if the request was on the expenditures rather than the allocation. BBMR replied that the expenditures provided was not detailed and only stated how much was given and spent.</p> <p>Parent Representative reminded that the EFSC has been requesting GDOE for all of its Federal funding expenditures. Parent Representative added that the cost of textbooks during the public health emergency, from last to current school year, should have been paid with Federal funds. GDOE provides a report on the summary of grant award and year-to-date encumbrances, expenditures, and available balance to management. The expenditures are annually audited. GDOE asked if the EFSC could provide the level of detail needed (e.g., which school and how much). OFB and Parent Representative stated that which school and how much would be a good addition. OFB stated that it needed the summary and more details would be helpful. GDOE asked if the EFSC could send its request to the Acting Deputy Superintendent of Finance and Services.</p> <p>Parent Representative asked GDOE if the \$100,000 (K) appropriation for the wage study was for GDOE to conduct its own study or to outsource it. Parent Representative added that the Government of Guam's administration was looking into making adjustments for several government job positions. GDOE replied that they met with the Office of the Governor and were collaborating with the Department of Administration (DOA). Currently, GDOE's Personnel Services Administrator is leading a committee to review, work with DOA's Human Resources Division to finalize, and make a proposal to management. GDOE will be working with the Office of the Governor to determine the need for additional local appropriations to fund the cost of the adjustments.</p>	<p>EFSC to send its request for GDOE's Federal grants summary and details to the Acting Deputy Superintendent of Finance and Services.</p>
b. DOA Cash Disbursement Report	DOA stated that its report reconciled with the line items on GDOE's cash receipts, but the total did not. GDOE replied that it was a formula error and would be correcting it.	GDOE to correct its March 4, 2022

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c. BBMR Appropriations and Allotment Report	As of Mar. 24, 2022, BBMR reported appropriations and allotment releases as follows:	Appropriations and Allotments report.																																										
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d. GDOE Accounts Payable Aging	BBMR notes that its report includes a recent modification requested by GDOE to advance from Sep. to Mar. 2022 to meet the weekly cash allotment to GDOE. Additionally, GEFF had a significant increase of YTD Expenditures from last month’s \$300K to \$3.8M.													
	BBMR asked DOA if the weekly cash disbursements to GDOE was from all funds or only the General Fund. DOA replied only General Fund and that Special Revenue Funds are all contingent upon revenue collections.													
	As of Mar. 24, 2022, GDOE reported the cumulative total balances as follows:													
	<table><tr><td><b>Days</b></td><td><b>Balances</b></td></tr><tr><td>Current</td><td>\$2,082,355.37</td></tr><tr><td>30 to 60 days</td><td>\$1,896,589.34</td></tr><tr><td>60 to 90 days</td><td>\$1,460,372.04</td></tr><tr><td>90 days and over</td><td>\$6,383,731.24</td></tr><tr><td><b>Grand Total</b></td><td><b>\$11,823,047.99</b></td></tr></table>	<b>Days</b>	<b>Balances</b>	Current	\$2,082,355.37	30 to 60 days	\$1,896,589.34	60 to 90 days	\$1,460,372.04	90 days and over	\$6,383,731.24	<b>Grand Total</b>	<b>\$11,823,047.99</b>	
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BBMR noted that payables of \$4.6M for Sodexo, under 90 days and over, was decreasing. GDOE replied that it was pending reimbursement of Education Stabilization Funds from its Third Party Fiduciary Agent. Parent Representative asked if it would be a full or partial payment to Sodexo. GDOE replied that the reimbursement was for the 90 days and over.														
GDOE also received confirmation that it may request reimbursement of Federal funds for utility costs. GDOE will submit its request and, once approved, will use the funds to pay the Guam Power Authority and Guam Waterworks Authority.														
IV. Financial Status Designation														

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<b>Report</b>		
a. Feb. 2022	<p>BBMR reported that for:</p> <p><b>Overall:</b> C-Watch was placed for Benefits, Power, Water, and Telephone.</p> <p><b>Monthly Variance:</b> B-Warning was placed for Benefits, Power, and Water.</p> <p><b>Year-to-Date Variance:</b> B-Warning was placed for Benefits, Water, and Telephone.</p> <p>BBMR asked if GDOE uses GEFF primarily for utilities and if such payments would decrease some of the C-Watches. GDOE replied that it would initially use cash available from GEFF. However, GDOE's access to Federal funds would significantly reduce the projected shortfalls.</p> <p>DOA motioned to approve the Feb. 2022 Financial Status Designation (FSD) Report, subject to corrections. Parent Representative seconded the motion.</p> <p>BBMR transmitted the Jan. 2022 FSD Report to GDOE, but did not receive a response for it or the Dec. 2021 FSD Report. GDOE replied that it issued the response to the Dec. report and was working on the response for the Jan. report.</p>	Approved
<b>IV. New Business</b>	<p>BBMR shared that a newspaper article mentioned no appropriations to GDOE for menstrual hygiene products. GDOE stated that comment will be corrected and its Community Health and Nursing Services Administrator will begin the requisition for the products to be given to the schools.</p> <p>BBMR noted that a newspaper article also had a similar comment for the education pay study; that there was no appropriations for it. GDOE replied that there is an appropriation to conduct the study, which was being done in-house, but there was no appropriation to fund the resulting pay adjustments.</p>	

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<b>V. Next Meeting</b>	OFB proposed for the meeting to be held on Apr. 21, 2022. OFB confirmed with the EFSC on the date.	OFB will send notice of next meeting.
<b>VI. Adjournment</b>	OFB motioned to adjourn the meeting at 3:40 p.m. The Office of Public Accountability seconded the motion.	