

GUAM DEPARTMENT OF EDUCATION FINANCIAL SUPERVISORY COMMISSION (EFSC)

Virtual Zoom Meeting

February 18, 2021

MEETING MINUTES

AGENDA	DISCUSSION/TOPIC	ACTION/ STATUS												
In Attendance	<table><tr><td>Vanessa Valencia, OFB</td><td>Joy Bulatao, GDOE</td></tr><tr><td>Bill Taitingfong, BBMR</td><td>Margaret Artero, GDOE</td></tr><tr><td>Vincent Duenas, OPA</td><td>Justin Castro, GDOE</td></tr><tr><td>Grace Edrosa, DOA</td><td>Senator Tony Ada</td></tr><tr><td>Zeny Asuncion, GDOE</td><td>Jeremy Auston Zamora</td></tr><tr><td>Carol Hinkle-Sanchez, Parent Representative</td><td>Calen Meno, Senator Telena Nelson Office</td></tr></table>	Vanessa Valencia, OFB	Joy Bulatao, GDOE	Bill Taitingfong, BBMR	Margaret Artero, GDOE	Vincent Duenas, OPA	Justin Castro, GDOE	Grace Edrosa, DOA	Senator Tony Ada	Zeny Asuncion, GDOE	Jeremy Auston Zamora	Carol Hinkle-Sanchez, Parent Representative	Calen Meno, Senator Telena Nelson Office	
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I. Call to Order														
II Review and Approval Minutes	MEETING WAS CALLED TO ORDER ON VIRTUAL ZOOM PLATFORM AT 3:00PM.													
a. January 21, 2021	BBMR Item II of the agenda, approval of January 21, 2021 minutes. OFB moved to approved the January 21, 2021 minutes, subject to corrections; motion was seconded by Parent Representative and without object, motion carried.													
III. Old Business														
a. GDOE Cash Report FY2021	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.DOA distributed the Cash Disbursement Report and noted the report reconciles with GDOE.													
b. Reconciliation of Cash Disbursements														
c. BBMR Appropriation/Allotment Status	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 February 18, 2021: GF Operations appropriation \$175,710,358, YTD allotment released \$75,106,143, YTD expended \$67,580,900, available \$7,525,243 YTD unallotted \$1,604,215; Simon Sanchez appropriation \$500K, allotment \$500K released, \$192,300 expended, \$307,700 available, YTD unallotted \$0; Chamorro Studies appropriation \$513,824, YTD allotment \$197,439 released, YTD expended \$197,439, available \$0 YTD													

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<p>d. Accounts Payable Aging</p>	<p>unallotted \$316,385; 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 \$79,229,536.99 released, YTD expended \$69,599,756.47, Available \$9,629,780.52, YTD unallotted \$101,670,600.</p> <p>TEFF Operations appropriation \$15,036,704, YTD allotment \$7,373,168 released, YTD expended \$0, YTD \$7,373,168 available, YTD unallotted \$7,663,536; ADRMS appropriation \$40K, YTD allotment \$17,500 released, YTD expended \$0, YTD \$17,500 available, YTD unallotted \$22,500; School Grounds Maintenance appropriation \$385,022, YTD released \$160,425, YTD expended \$0, YTD \$160,425 available, YTD unallotted \$224,597. Total TEFF appropriations \$15,461,726, YTD allotment release \$7,551,093, YTD expense \$0, YTD available \$7,551,093, YTD unallotted \$7,910,633.</p> <p>PLRF appropriation \$915,082, YTD allotment \$381,285 released, YTD expended \$82,414, YTD available \$298,871, YTD unallotted \$533,797. HFF-Operations appropriation \$891,754, YTD allotment \$377,281 released, YTD expended \$377,281, YTD available \$0, YTD unallotted \$514,473; LG-Sports Facilities appropriation \$535,801, YTD allotment \$267,900 released, YTD expended \$5,182, YTD available \$262,718, 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 \$87,807,095.99, YTD expended \$70,064,633.47, available \$17,472,462.52, unallotted \$110,897,404.</p> <p>BBMR moving onto Item 3d the Accounts Payables Aging reports: as of February 12, 2021 total AP Aging Balance of \$6,533,667.26: \$237,461.81 current; \$2,916,097.62 is 30-60 days; \$2,622,628.33 is 60 to 90 days; \$757,479.50 is 90 days and over. NOTE: \$6,533,667.26 balance is net of 02/12/2021 payments in the amount of \$1,117,327.76 as follows: Tyler Technologies - \$330,421.29; Sodexo - \$169,044.68; GWA - \$143,290.22; Swiftreach Networks - \$80,958.00; Scale Computing - \$57,120.95; Bess Press, Inc - \$50,407.95; Other Vendors - \$286,084.67. GRAND TOTAL \$1,117,327.76.</p> <p>GDOE Deputy noted most of scheduled payment are only a portion of what GDOE owes and are according to a payment agreement with the vendors due to cash disbursements are received. For example, while Sodexo is \$3M the GDOE payment was \$169K; and same thing with GWA: outstanding is \$417K and payment is \$143K.</p>	
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BBMR asked if payment plans are a set amount per month. GDOE stated no, it all depends on the level of cash received each week. DOA stated GDOE knows the cash to be distributed on a weekly basis. GDOE stated money received on a weekly basis is barely enough to sustain GDOE's payroll. Without receiving the \$15M in TEFF appropriations – at a certain point in time, by December GDOE is already in a negative balance. GDOE does not get enough cash for which it is allotted to pay off vendors – the level is barely enough to pay payroll.

DOA suggested GDOE establish set amounts of payments. GDOE responded – it has over \$3M negative balance in cash flow – this is cash received, for the most part it is DOA cash allotments but there are also GDOE receivables – what is advanced for the federal grants; these receivables are sometimes big, sometimes small amounts – and that is what is meant by sometimes it depends on what receive in cash. DOA stated hopefully, in a couple of weeks, DOA will be able to release cash from TEFF appropriations. GDOE stated according to the reconciliation report, TEFF owes GDOE \$7.3M which is based on the allotment release of BBMR and asked will DOA be able to release the full \$7.3M to GDOE. DOA stated they would have to look at what could be released – also against the TEFF there are also bond payments (\$10M for Tiyan Lease) which the GF fronts; so after that is netted out, whatever is available. If property tax collection exceeds the amount, just like last year GDOE will get all of its appropriations under TEFF. It's just a matter of when those payments will be coming in –by April as that is the second installment for property tax payments.

BBMR stated they noticed some payments in the Aging report to UOG and Glimpses of Guam and asked are those for books. GDOE the UOG payment is scheduled for next week. This is an MOU between UOG Library and GDOE to produce certain primary education materials to be issued by Dr. Monique Story; they have made the last installment to submit to GDOE the education materials. The Glimpses of Guam invoice is also for educational materials. DOA asked and suggested if these are textbook purchases and GDOE stated these are educational materials and would submit the purchase order and invoice to DOA.

Parent Representative asked whether GDOE Deputy got the information regarding federal (COVID-19) funding. Deputy stated she tried but they said (Federal Programs Division) said this has nothing to do with local funding. Parent Representative stated she would talk to the Senators because they can't say it has nothing to do with local because what is paid out of the federal is going to impact the amount of money

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	<p>you have left in your local (budget). What is the difficulty of the EFSC getting the information what they did with that money – curious as to what offsets it has with local funding. Deputy stated she is not privy to that information yet. BBMR stated Senator Nelson has scheduled an informational hearing on the \$110M in federal grant funding anticipated.</p>	
e. Limited Gaming Fund Breakdown	<p>BBMR moving onto Item 3e Limited Gaming Fund Breakdown - GDOE reported as of 2/18/2021 Allotment - \$535,801 and Cash Received \$5,182</p>	
f. Federal Grants Received of \$110M	<p>\$153,261.00 GWHS \$304,826.00 Southern High School <u>\$ 77,714.00</u> F & M working on priority list \$535,801.00</p>	
g. Capital Outlay Breakdown	<p>BBMR asked if in the breakdown items more detail could be provided, GDOE affirmed they would get the details and provide to EFSC.</p> <p>BBMR moving onto Item 3f. Federal Grants Received of \$110M – may have been answered earlier. GDOE Deputy stated the allocation may have already been submitted but it hasn't been approved by USED yet.</p> <p>BBMR moving onto Item Item 3g. Capital Outlay Breakdown – GDOE stated they did not have information and would provide at next meeting.</p> <p>BBMR Moving on to Item IV. a. FY2021 Financial Status Designation reports for month ending October 2020 indicating C-Watches in object classes Salaries, Benefits, and Water. BBMR asked why at the first month of the fiscal year there are C-Watches and particularly for Personnel – the negative \$17M is unusually high. GDOE Deputy stated she did not have an opportunity to look at the draft. Additionally, GWA has agreed to team up with the GDOE Facilities Maintenance to work on school accounts with exceeding billing to identify water leaks; there's probably three on GWA and probably 3 on GDOE side. OFB stated on the projected remaining for capital outlay is off and will be corrected before transmittal.</p>	
IV. FY 21 FSD Reports		
a. October 2020		
b. November 2020		
c. December 2020	<p>BBMR if there are no questions, moving on to FY2021 FSD report for month ending November 2020 indicating the same C-Watches in object classes Salaries, Benefits and Water and B-Warning in Benefits.</p>	

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<p>V. New Business • Next Meeting Date and Time</p> <p>VI. Adjournment</p>	<p>With no questions, BBMR moving onto FY2021 FSD report for month ending December 2020 indicating again C-Watches in object classes Salaries, Benefits, and Water; and noted there is monthly negative variance in water but it is saying A-Stable. BBMR also noted and asked whether the projected negative \$10.3M doesn't appear to be too high. GDOE stated they would have to reconcile the report with their financials and column G are projections. BBMR stated once transmitted, GDOE would have to prepare a response and suggested there may be modifications in upcoming months in the fiscal year (to provide offsets) to remove the projected negative variance.</p> <p>Parent Representative motioned to approve the FY2021 FSD reports for the months ending October, November, and December 2020 subject to corrections; seconded by DOA and without objection, motion carried.</p> <p>Next item V. New Business / Next meeting. BBMR stated for interested EFSC Members – Senator Nelson has scheduled an upcoming (3pm Tuesday, February 23, 2021) virtual informational hearing on the ESF II Federal Grant – Covid 19 related \$110M anticipated to be received by GDOE. GDOE Deputy stated Senator Moylan has reached out and offered to assist her in possibly getting FEMA reimbursements for some Covid-19 related expenses.</p> <p>OFB suggested tentative Thursday, March 18, 2021 for next meeting and without objection, EFSC March Meeting be scheduled for March 18, 2021 via virtual zoom. GDOE expressed appreciation on the presence of Senator Ada for attending the meeting. With no further business, Parent Representative motioned to adjourn, seconded by OFB and without objection, meeting was adjourned at approximately 3:48pm.</p>	
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