

**GUAM DEPARTMENT OF EDUCATION FINANCIAL SUPERVISORY COMMISSION (EFSC)**

Building A Conference Room, GDOE Central Office Tiyan

September 19, 2019

**MEETING MINUTES**

AGENDA	DISCUSSION/TOPIC	ACTION/STATUS										
In Attendance	<table><tr><td>Andriana Quitugua, OPA</td><td>Vanessa Valencia, OFB</td></tr><tr><td>Bill Taitingfong, BBMR</td><td>Lou Perez, GDOE</td></tr><tr><td>Arthur Mariano, BBMR</td><td>Justin Castro, GDOE</td></tr><tr><td>Grace Edrosa, DOA</td><td>Becky Lujan, GDOE</td></tr><tr><td>Carol Hinkle-Sanchez, Parent Rep.</td><td></td></tr></table>	Andriana Quitugua, OPA	Vanessa Valencia, OFB	Bill Taitingfong, BBMR	Lou Perez, GDOE	Arthur Mariano, BBMR	Justin Castro, GDOE	Grace Edrosa, DOA	Becky Lujan, GDOE	Carol Hinkle-Sanchez, Parent Rep.		
Andriana Quitugua, OPA	Vanessa Valencia, OFB											
Bill Taitingfong, BBMR	Lou Perez, GDOE											
Arthur Mariano, BBMR	Justin Castro, GDOE											
Grace Edrosa, DOA	Becky Lujan, GDOE											
Carol Hinkle-Sanchez, Parent Rep.												
I. Call to Order												
II Review and Approval Minutes												
a. August 29, 2019	<p>Meeting was called to order at 3:12pm at the Building A, 1<sup>st</sup> Floor GDOE Conference Room, Tiyan. Item 2 of the agenda, approval of the August 29, 2019 minutes. OFB stated minutes not available and asked for motion to table approval of minutes. BBMR moved to table approval of August 29, 2019 minutes for next meeting. Motion seconded by DOA and without objections, motion passed.</p>											
III. Old Business												
a GDOE Cash Report FY2019	<p>GDOE distributed FY19 Cash Update. As of September 19, 2019 GDOE total FY19 cash received GF Operations \$184,849,253.04 cash received; GF Chamorro Studies \$375,948 cash received; GF SSHS Procurement \$1M; Textbook \$1,027,545 Cash received; TEFF \$11,355,258 cash received; TEFF 1<sup>st</sup> Gen Trust \$50,848.80 cash received.</p>											
b. Reconciliation of Cash Disbursements	<p>Total cash received for PLRF \$896,716 cash received; HFF-Sports \$506,469 cash received; HPA \$220,909 cash receive; and Limited Gaming \$131,228 cash received. Simon Sanchez FY18 GF Continuing OEA &amp; A &amp; E \$1,500,000 allotment release, \$0 cash received, \$0 DOA variance, \$1,500,000 allotment vs cash variance. Overall grand total (excluding FY18 GF Continuing and JFKHS FY19 \$1,568,000 Maint. &amp; Insurance) \$200,414,140.74 GDOE cash received. 201,982,140.74 Grand Total. For Secure Our Schools, GDOE received \$16,022.50. DOA stated there could have been a payment this week that has yet to be recorded. OFB stated moving onto the DOA Reconciliation of Cash Disbursement: DOA report is reconciled with GDOE Cash report except for the Secure Our School disbursements.</p>											

GUAM DEPARTMENT OF EDUCATION FINANCIAL SUPERVISORY COMMISSION (EFSC)

Building A Conference Room, GDOE Central Office Tiyan

September 19, 2019

MEETING MINUTES

c. BBMR Appropriation/Allotment Status	<p>OFB stated let's move to the BBMR Appropriation/Allotment Status Reports item III. BBMR distributed the BBMR Appropriation/Allotment Status Report FY2019 as of September 19, 2019: GF Operations appropriation \$188,360,473 allotment fully released, YTD expended \$184,849,251.04, available \$3,511,491.96; Charter School appropriation Balance \$2,824,813, appropriation \$7,585,667 (\$3,059,912 Guahan, \$3,397,053 I'learn, \$1,128,702 Science is Fun), same allotment release, year to date expended \$7,795,043.83, available -\$209,376.83.</p> <p>GF SSHS Procurement appropriation \$1M and allotment fully released, same YTD expenditures; Chamorro Studies appropriation \$401,207 and allotment fully released, YTD expenditures \$375,948, available \$25,259; Textbooks appropriation \$1.5M and allotment fully released, YTD \$1,027,544.77 expenditures, \$472,455.23 available. Total GF appropriation is \$201,672,430; YTD allotment release \$198,847,617; YTD expenditures \$195,047,787.64; available \$3,799,829.36, unallotted balance is \$2,824,813.</p> <p>TEFF Operations appropriation \$13,697,608 and allotment fully released, YTD expenditures \$11,355,256.13, available \$2,342,351.87; TEFF - 1<sup>st</sup> Generation Fund appropriation \$100K and allotment fully released, \$50,848.80 expended, \$49,151.20 available. PLRF appropriation \$978,236 and allotment fully released, YTD expenditures \$896,716, and \$81,850 available; HFF-Interscholastic Sports appropriation \$612K allotment fully released, YTD expended \$506,439, available \$105,561; HFF- Health &amp; Physical Activities appropriation \$279,754 fully released, YTD \$220,909 expended, \$58,845 available. Limited Gaming appropriation \$524,913 fully released, YTD \$131,228 expenditures, available \$393,685. Grand Total appropriation \$217,864,941, YTD allotment release \$215,040,128, YTD expenditures \$208,209,184.57, available \$6,830,943.43, unallotted balance \$2,824,813.</p> <p>Parent representative asked why is there a \$6,227,043.83 variance [\$208,209,184.57 versus \$201,982,140.74 reconciled between DOA and GDOE, totaling \$6,227,043.83] between the reports. BBMR suggested a possible check write in process. [in further discussions, DOA confirmed the variance is due to Charter Schools' cash releases]. Parent Representative asked is there a reason why the Sanchez Procurement appropriation at zero. DOA responded it reflects the payout of the appropriation by DOA. BBMR stated they had asked last meeting whether portions were used for FY2020 Operations. GDOE responded, the report reflects receipt of full cash, but the balance is in</p>
----------------------------------------------	---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

GUAM DEPARTMENT OF EDUCATION FINANCIAL SUPERVISORY COMMISSION (EFSC)

Building A Conference Room, GDOE Central Office Tiyan

September 19, 2019

MEETING MINUTES

<p>d. Accounts Payable Aging</p>	<p>reserve for Simon Sanchez. BBMR asked so it is the intent of GDOE to use the full funding for Simon Sanchez and GDOE affirmed.</p> <p>OFB moving onto Item 3d the Accounts Payables Aging reports: as of September 19, 2019, total AP Aging Balance of \$4,330,216.81 (\$3,839,626.18 Local, \$490,357.79 Federal, \$232.84 99998 Student Account); Batched invoices \$2,069,768.76 and unbatched invoices \$1,490,074.58; unposted payroll deductions \$3,711,547.60 brings GRAND TOTAL to \$11,601,607.75.</p> <p>Members reviewed and generally discussed the list of outstanding vendor payables. BBMR noted that 50% of 90 days and over is Sodexo. Parent Representative asked about the GovGuam Retirement past due 90 days and over. GDOE responded it's for interest charges for late contributions and does not affect the employee. BBMR noted other big-ticket vendors include Benson Guam and Payless Markets and asked whether GDOE has payment plans with these vendors. GDOE stated no. Parent Representative asked if the cost of meals (Sodexo) is shared, why are there outstanding billings in the local share – shouldn't these be paid at the same time as part of the grant requirements. GDOE stated that's why it has a payment plan in place with Sodexo because GDOE does not have enough cash on hand. Parent Representative stated generally, when there is a share (cost) it's paid together – like our Child Support – it's 66 - 33 share and asked do the feds know you didn't pay your share. GDOE stated they audit us every 3 years. DOA stated generally, when you accept the grant award, as the grantee you provide assurances that local will cover whatever that apportioned share of costs or the local match. There are different types of grants - discretionary grants and then there are block grants where it's simply awarded – whether you have the funding to match the costs or not they will still award you. It's during the site visits when they do the audit. GDOE stated there are 2 – the entitlement (grant) and the food services grant. The Sodexo and Payless billings fall under both categories of grants. GDOE stated they would provide a response/clarification by the next meeting if not earlier; will clarify the information with Food &amp; Nutrition Services division.</p> <p>DOA responded to an earlier question: \$6M variance between BBMR YTD Expenditure \$208M and DOA disbursement report \$201M is Charter School expenditures. BBMR noted FY20 Budget Act provided Charter School appropriations separately no longer part of EFSC reporting.</p>
----------------------------------	-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

GUAM DEPARTMENT OF EDUCATION FINANCIAL SUPERVISORY COMMISSION (EFSC)

Building A Conference Room, GDOE Central Office Tiyan

September 19, 2019

MEETING MINUTES

e. EFSC Working Session	<p>OFB moving on to Old Business Item III. E. EFSC Working Session. OFB distributed a list generated from the 12 September 2019 EFSC Working Session, enumerating 13 EFSC Scope/Duty and associated item(s) members had agreed would be sufficient. OFB asked whether GDOE provided all the items/reports and GDOE responded they had emailed what they have. Parent Representative stated she had reviewed some of the documents, however, would still like to see a breakdown in the budget and the expenditures; breakdown on each of the individual schools' needs. BMR asked those are the ones provided for the monthly FSD reports.</p> <p>Parent Representative wanted more in detail. She wants to see each of the individual schools' budgets is: operations' wise for the fiscal year: their current staff pattern, you don't need to list all the employees' names – just current staffing pattern, the amount that each school requires to operate. So your overall budget and breakdown of every school including your central office. need staff information, just the amount of staff you have; the cost to run operations; and your other costs per each school. She wants to see what their needs are, what their requested maintenance repairs were, what their requested equipment and supplies were. Also, what they're asking for – for what they need.</p> <p>BMR asked it sounds like the Budget Digest. Parent Representative affirmed. GDOE asked is this for Fiscal Year 2019. Parent Representative said she'd like to see what GDOE in FY2019 and FY2020 because she wants to see where GDOE focused on what is going to be your priorities this year. Based on the budget, where are the allocations, what are the needs you going to meet for each school. Is it just one school you're going to look at or are you going to look at each school and prioritize. She states that she goes to the schools all the time, it's just not one school. She sees a lot of things that need repair. For you to tell me you're doing Sanchez – good, but you know there is other schools and you do have a big budget. She'd rather see you take priority on what needs to be done then to spend in areas that don't need to be spent on. But she'd like to know what you guys have been doing and see where your expenditures were. GDOE the board has been focusing on filling positions and vacancies (at the schools). Parent representative sees that because of lack of staffing – that is another area. Parent Representative states that part of the commission's (duties) is to help GDOE figure out your budget and how to spend it. And if your board isn't doing a good job at that, then this Commission</p>	
f. EFSC Scope of Authority, Duties and Responsibilities		

GUAM DEPARTMENT OF EDUCATION FINANCIAL SUPERVISORY COMMISSION (EFSC)

Building A Conference Room, GDOE Central Office Tiyan

September 19, 2019

MEETING MINUTES

should look at it. There are a lot of priorities that I feel aren't being met as a parent. And I'm not the only parent complaining. If you go to Parent Teacher Conferences, I'm sure that you'll hear it all. GDOE stated School Administrators do take their input (parents) into account when they present their budget requests.

Parent representative stated she heard her concerns are not being addressed either. She'd like to know what each school wants and the clarification to each of these schools. Because my understanding is that the Central Office made it sound like you were going to make them responsible for their budget. So they backed down on that issue. I think they need to know that all they're doing is that what they asked us to fill out when we go to Parent Teacher Conferences is: what do you think the school needs. What other safety measures do you think each school should take because parents submit that stuff. I fill out those forms every time – 2 times a year I fill those forms out when I go to get my kids report cards and see the teachers. I know I write a list of stuff down. So my question to you is: what is that list for each school. I'd like to see it because I'd like to see where you are prioritizing your spending because a lot of schools need a lot of things.

BBMR what you're asking for is item 2 [Budget Digest for each school with their schedules/decision packages] and item 3 [12-month expenditure plan]. We did ask for a budget digest for each of the schools and further down, we did ask for a staffing pattern (Item 4). BBMR was wondering if a copy of the budgets (request) would help. Parent Representative – that's just it, I don't think they do the breakdown for individual schools and I think that's the problem. Unless you guys have that and you're not sharing it – it might be an internal document. BBMR I think it is broken down in the budget digest (request); it is shared to the Legislature. GDOE EFSC is made of member agencies/entities and we submit our budget requests by school to OFB and BBMR. Parent Representative but in their respective agency capacity they're [OFB and BBMR] not concerned about detail or the same things we are here at the EFSC.

GDOE asked so is the EFSC now going to focus on individual schools' budgets and expenditures when the Legislature passes a lump sum budget to GDOE. Parent Representative stated that's the

GUAM DEPARTMENT OF EDUCATION FINANCIAL SUPERVISORY COMMISSION (EFSC)

Building A Conference Room, GDOE Central Office Tiyan

September 19, 2019

MEETING MINUTES

thing; the Legislature has tried to fix that. But I spoke to a lot of your principals and vice principals and they were misinformed, which is a big concern. They are the best people to tell you what they need in their schools; [they] know everything in that school, from the broken light to the broken door knob. GDOE asked and so the EFSC is going to focus [its work] on individual schools. Parent Representative stated it's a good idea for us to determine priority. GDOE asked so is the EFSC going to prioritize GDOE decisions when 17 GCA entrusts those decisions to the GEB.

BBMR stated we have had discussions that there are certain things (laws) that are conflicting. Parent Representative 17 GCA is the authority of the department; this Commission is also similar to a check and balance to your board and to your Superintendent. And until the Senator changes it, I'm sorry. GDOE stated the statute that created the EFSC is within the statute that created the department. Parent Representative – correct and we [EFSC] don't have to listen to what you guys say. We [EFSC] are a different category. We are only here for GDOE – that's the reason why its [EFSC enabling legislation] is under GDOE [enabling statute]. That's why we want the individual budgets, so we can assist and recommend and help you guys out.

GDOE asked so where does that process occur [assist and recommend]: before the board adopts, before the board acts. Parent Representative responded it could. BBMR stated that's a good question. OFB stated but [it would be] like over stepping. Parent Representative stated recommendations are given to the board and I think that that is what it is - recommendations are sent over to the Superintendent and are given to the board.

GDOE stated the Superintendent drafts the budget for all the individual schools; he is assigned [by law] to do that and then he presents to the board which can add, subtract, [change anything in that budget request]. Parent Representative asked is that [budget] based on the principals that sit there and tell you what they need. GDOE affirmed, it is based on what the principals have presented. Parent Representative we want to see that. GDOE one of the documents we will be presenting is the budgetary process [budget guidelines] that is required by law: we go through every individual school, every individual school presents, it goes before the Superintendent and the Management Team, and it goes before the board. The board ultimately, decides. Parent Representative based on who's

GUAM DEPARTMENT OF EDUCATION FINANCIAL SUPERVISORY COMMISSION (EFSC)

Building A Conference Room, GDOE Central Office Tiyan

September 19, 2019

MEETING MINUTES

recommendations – the Superintendent's. GDOE we go through the whole process it's the schools' that present.

Parent Representative the EFSC also has the authority under the Commission. GDOE stated GDOE asks for \$393M every year, and asked do you think at that amount we deleted anything that the schools requested. Parent Representative there's a lot of things that are not being done. I don't think anything was deleted but I don't know if there is any priority being placed (on their requests). GDOE stated what it received in annual appropriations is well over \$100M short of what GDOE requested. Parent Representative stated but every school has long standing problems. I've been doing this work since 2000. I see the same problems 19 years ago to today. That tells me something: you are either focused on 1 school and you don't give a damn about the rest.

GDOE stated it is focused on 'must haves' in order to fulfill 180 days of instruction: utilities and staffing and critical contracts [that's all the appropriations allow us to provide]. Parent Representative stated there are billings 90 days past due – power and water. GDOE stated it is also forced to pay on availability of cash. Parent Representative You're telling me it's a priority and it's not being paid, food is not being paid. Let's produce the documents that you have and I will ask you after that what else I would like to see. GDOE we've been following what is provided in the budget law. Parent Representative you guys have been used to 9 years of just reading reports, numbers. Times have changed. Your finances and the rest of GovGuam's finances is strapped. I'd rather see a kid get something that they really, really need which I don't see right now. And I can tell you what's lacking. Besides from just being a parent. I run the Juvenile Division at the AG's Office. So I know what's missing. I'd just like to see where your priorities are.

GDOE stated at one time GDOE did get cash for utility payments separately from its monthly allotment of cash for operations and that's changed [that's why you see arrears in utilities on the aging]. Parent Representative a lot of things have changed and you think it's going to get any better with federal money being cut. These are the money you owe imagine if more of your federal money is going to get cut. You're going to have a bigger chunk of money that is owed.

GUAM DEPARTMENT OF EDUCATION FINANCIAL SUPERVISORY COMMISSION (EFSC)

Building A Conference Room, GDOE Central Office Tiyan

September 19, 2019

MEETING MINUTES

BBMR GDOE has submitted a budget to cover the 14 points that they are mandated to fulfill, it's at the Legislature where there just isn't enough revenues to cover what everybody wants. So they [the Legislature] have to make a decision there to make cuts [in GDOE's requests]. Parent Representative I think there are some issues with prioritization and money spending. BBMR but don't you think that that is at the Legislature's side/level; they decide what the priorities are by the appropriation level they have approved.

Parent Representation but they don't – they [GDOE] gets a chunk of money and they get to decide what the priorities are. BBMR stated but that is their decision [by law] the board decides that. Parent Representative that has always been the way it worked at the GDOE. They get 33% of the government's budget or whatever it is – that chunk – and they have the authority to do what they want to do. That's the reason why this body was created. GDOE stated it's not a matter of the department just doing whatever it wants to do. We ask for \$393M. The revenue doesn't allow this government to give us \$393M. So they give us whatever that amount – let's say \$200M – and it's not carte blanche, to spend it wherever you want to spend it. They (the Legislature) know it's short of what we need and that's why they give us the flexibility to somehow make it all work: BBMR cannot hold allotment reserves to GDOE, GDOE has transfer authority so GDOE can transact [and take care of must haves to operate 180 instructional days].

Parent Representative yeah you can tell me all that and we [AG Office] were cut short, too. But this is what happens. When we're cut short, we go through each category: operations # 1, we ensure that operations is 100% funded, equipment, supplies, capital outlay. We go through those categories and we place money based on our budget into those categories and we don't move it around. We lock ourselves into those amounts and we determine what priority – what equipment is priority. I can tell you that I had a broken shredder for the past 2 years. I'm just saying there has to be a better way of managing money knowing that it will probably get cut some more.

BBMR what Parent Representative is asking for is something GDOE already has so if she want to see



GUAM DEPARTMENT OF EDUCATION FINANCIAL SUPERVISORY COMMISSION (EFSC)

Building A Conference Room, GDOE Central Office Tiyan

September 19, 2019

MEETING MINUTES

<p>f. EFSC Scope of Authority, Duties and Responsibilities</p>	<p>a copy of the budget for 2019 and what you had asked for 2020 then that can be provided to her. We [BBMR] have copies of it and so does OFB. OFB we have it on our website, the GDOE budget is itemized by school and we will provide Parent Representative with the link.</p> <p>GDOE proceeded to present and explain documents from the list of items from the 12 September 2019 EFSC Working Session which were provided to the EFSC:</p> <p>First item GDOE Budget Guidelines [for 2020]. Superintendent creates a Budget Committee made up of school administrators representing all levels; HR, Finance, and Budget. The committee meets to discuss priorities for the developing GDOE's budget request. Parent Representative asked whether all principals are on the committee or only certain principals. GDOE affirmed school principals on the committee are appointed by the Superintendent. Parent Representative stated that's what I'm saying – that's bad practice.</p> <p>BBMR reminded members EFSC had asked for the guidelines to satisfy the first two [1. Make recommendations on policies and practices related to the presentation and preparation of the operating budget request; and 2. Make recommendations on budget request priorities] of the enumerated 13 scope/duties of the EFSC.</p> <p>GDOE stated these are what is provided to every school to develop their budgets and when they meet with the PTOs, and conduct public hearings and meetings to get input from stakeholders. GDOE stated the personnel ratios in the guidelines primarily come from the Board Union Contract, board policies, as well as, public education laws. The timelines set deadlines for every step of the process to ensure the department meets the statutory requirement to submit its budget request no later than January 30<sup>th</sup> annually. The guidelines provide instructions on how to fill out the BBMR Budget Forms or the format that GDOE by law is required to submit its request.</p> <p>Parent Representative so GDOE breaks down its request by categories but then it is given the authority to move money around throughout the year. GDOE affirmed. Parent Representative that's where I</p>
----------------------------------------------------------------	-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

GUAM DEPARTMENT OF EDUCATION FINANCIAL SUPERVISORY COMMISSION (EFSC)

Building A Conference Room, GDOE Central Office Tiyan

September 19, 2019

MEETING MINUTES

think is where it is going to cause a problem. GDOE each year the budget we're given is short, and that's reflected in the aging report. Parent Representative but that's why you're going to see your spending is going to have these large amounts in the aging because you keep saying we can move this money and cover it. GDOE actually what we say is, 'really, Governor there's just no cash [for GDOE's appropriations]? Then we'll have to carry it [expenditures/payables] over.' We don't say, we're just going to spend it and pay it later. [When there's no cash behind the appropriations] we ask for new money [to pay expenditures], left over lapsed money – these are for 'must haves' expenses. A \$207M budget [for GDOE] is a no frills budget; it's all going to the schools.

BBMR state the personnel ratios look different [from the BBMR Circular]. GDOE explained personnel ratios are mostly driven by Board Union Contract, by board policies, special pays prescribed by local statute – GDOE has to do this [no matter what budget we're given]. Parent Representative stated these are nationally – these standards are applied across the board or similar standards or to anyone receiving USED money. Like when you go to DOC there is a ratio from guard to inmates; those are federally mandated ratios that you cannot change. GDOE stated these guidelines are what generates its \$393M budget request. Then we go down to the Legislature and yes, this is what it takes to operate GDOE. This is a thorough assessment of what the needs are – and yes, it includes everything the principals ask for, what they ask for on behalf of parents and stakeholders.

BBMR asked if the guidelines can be made available on a drive so members can peruse it on their own as they may not have time during the meeting to go through it. Where is your timeline – way up on top. GDOE it's on page 3. We take the statutorily January 30<sup>th</sup> submission date and we work the timeline backward. We take into consideration the school calendar and set deadlines to ensure there is sufficient time for stakeholders to participate in developing the school budgets. The budget call is usually issued in September. BBMR stated its process usually begins in November, and noted, Item No. 2: Budget Digest for each school with their schedules/decision package – again that can be downloaded.

BBMR moving on to Item No. 3: 12 Month Expenditure Plan by September 25 for FY2020 – and asked has that already been approved. GDOE responded no, the GEB has to approve GDOE's FY2020

GUAM DEPARTMENT OF EDUCATION FINANCIAL SUPERVISORY COMMISSION (EFSC)

Building A Conference Room, GDOE Central Office Tiyan

September 19, 2019

MEETING MINUTES

Spending Plan before it can submit the 12 Month Plan to EFSC. BBMR stated the plan has been reviewed by the EFSC mostly in the month of October and asked Is it by school. GDOE responded no, it is lump sum. Parent Representative and does GDOE take into consideration what they're giving to each school. GDOE stated yes and the EFSC gets the detailed expenditures monthly. OFB affirmed. BBMR stated OFB uses the monthly reports to generate the FSD, however members don't see the detail report and asked could the detail report be printed for members. GDOE stated OFB can print from those reports. Parent Representative asked if individual schools projected 12 months or is it just the monthly expenditures. OFB stated its just expenditures.

Parent Representative but that's just operations. There's certain things you can predict that's going to be consistent; those things are important. But even maintenance work, you can't predict that on a 12-month basis. So are those listed here - what your anticipated - how much you are going to fund to them. GDOE stated with the funding levels it gets, after taking care of personnel, the must-have services and contracts - there's nothing much left. Parent Representative proposed and suggested GDOE work on possible arrangement with DPHSS to have recipients under the CWEP program provide maintenance or other work at the schools; hours could be applied or credited as on the job training. These people (under CWEP) can be utilized at no cost to GDOE in exchange for [fulfilling their 20 hours] to continue receiving benefits.

BBMR stated there's 13 items on the list [from the EFSC working session] and there isn't enough time to go over all of it in the meeting and asked GDOE to pass the items on to the members. For FY2019 and FY2020 request [Budget Digests as listed on the list] which members BBMR and OFB already have, OFB affirmed they would send Parent Representative and DOA the OFB link to view/download the files.

OFB moving onto Item IV. Financial Status Designation for the months ended June and July 2019. BBMR asked and OFB affirmed they had met with GDOE on corrections to the previous FSD reports

GUAM DEPARTMENT OF EDUCATION FINANCIAL SUPERVISORY COMMISSION (EFSC)

Building A Conference Room, GDOE Central Office Tiyan

September 19, 2019

MEETING MINUTES

<b>IV. Financial Status Designation for FY19 Month Ended</b> <b>a. June 2019</b> <b>b. July 2019</b>	<p>through May. BBMR noted the FSD for June is showing a C-Watch with \$7M projected shortfall. GDOE stated the FSD reports reflects a number of one-time expenditures including teacher annual leave lump sum payments paid out in June and maybe even some retirements at the end of the school year [which temporarily inflates the projection]. If you look at the July reports shows, the projection begins to stabilize and you see personnel projected shortfall declining to \$5M. Parent Representative asked does GDOE anticipate more people retiring and commented GDOE's budget probably doesn't take into account those pay outs.</p> <p>BBMR noted C-Watch in travel and in the July report it worked itself out showing A-Stable. Those were mileage reimbursements (school attendance officers) earned during the school year, GDOE tries to pay those out at the end of the school year. BBMR noted utilities continue to be at C-Watches and questioned the new C-Watch under Capital Outlay. GDOE stated that was triggered by the payment of SPED buses purchases – it's a one-time purchase and eventually the projected shortfall will diminish to zero – the locally funded purchase is required as part of the federal grant. Member generally discussed the SPED program and locally funded requirements including SPED bus drivers to sustain the federal grant.</p> <p>BBMR noted B-Warnings in June for travel (local mileage) and capital outlay; then in July A-Stable across all object categories but negative shortfalls in personnel. OFB motioned to approve June and July 2019 FSD reports and Parent Representative seconded the motion. With no objection, motion passed. BBMR noted the BBMR motioned to table the August 2019 FSD report. Motion was seconded by Parent representative and with no objection, motion passed.</p>	
<b>V. New Business</b>	<p>Next item V. New Business. OFB there being none, moved to Next item next meeting. Members agreed OFB tentatively schedule for 3pm, Thursday October 24, 2019 for the EFSC October 2019 meeting and reserve the conference room in GDOE Building A in Tiyan. BBMR motioned to adjourn the meeting and without objection, meeting was adjourned at 4:37pm.</p>	
<b>a. Next Meeting Date and Time</b> <b>VI. Adjournment</b>		