

Guam Department of Education

Comprehensive Corrective Action Plan Quarterly Progress Report

For the Period Beginning October 1, 2015 and Ending December 31, 2015

Presented to the U.S. Department of Education in Fulfillment of the Federal Fiscal Year 2015 Special Conditions

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Reports and Report Format

As stated in the approved Comprehensive Corrective Action Plan (CCAP), the Special Conditions require GDOE to provide quarterly reports to the US Department of Education (ED) on the Guam Department of Education's (GDOE) progress in implementing measures required under the CCAP. While the Special Conditions do not specify a particular format for the progress reports, it is anticipated that each report will, at a minimum, include the implementation status for each activity, highlight any risks associated with successful completion, and also identify any changes which would require modifying actions and/or timelines. Feedback regarding format and content is not only welcomed, but encouraged.

Executive Summary

The Standard Operating Procedure (SOP) Time Distribution Report (TDR) was signed in October. However, training on the new SOP did not occur as it was planned that training would be coordinated with release of the Consolidated Grant Award Notification; the notification has yet to be received. As the electronic version of the TDR is ready for implementation, the SOP will be updated prior to training.

Tasks related to the Financial Management Information System have been reprioritized and additional items added based on feedback received during the visit from the USDOE Risk Management team in November of 2015. The addition of a staff member has assisted in achieving targets.

Training of the property officers and the school/division fixed asset liaisons occurred in preparation for the launch of the new physical inventory in 2016. The two staff members temporarily assigned to procurement during its busy period have returned to assist with the fixed asset inventory. The GDOE team has prepared to take the lead while the TPFA will monitor. To date, all has been successful.

Besides in-house training on procurement regulations and procedures, GDOE continues to send its procurement staff to training at Guam Community College. Procurement has been able to regularize the distribution of standard reports and meetings.

Except for the Federal Grants Manual, all identified SOPs were approved by the end of this quarter. Attention has turned to dissemination and training on the SOPs. The Internal Audit Office has started its review of the SOPs with off island travel. The Internal Audit website and hotline were launched in November.

Completion Risk Key:

Risk Level High – Deliverables / objectives will not be completed in a timely manner;

Risk Level Moderate – Deliverables / objectives may not be completed in a timely manner; and

Risk Level Low – Deliverables / objectives will be completed in a timely manner.

Employee Time Tracking

Required Actions and Activities	Status Report as of 12/31/2015	Next Steps / Comments
<p>ETT-1: GDOE will develop and implement effective policies and procedures that provide for an effective process for tracking and reporting time spent by all employees whose salaries are paid with US ED grant funds.</p> <p>ETT-2: Ensure that the salaries of employees who work under more than one Federal program and/or grants are properly allocated among those programs/grants, in accordance with accurate time distribution records.</p> <p>ETT-3: Research and implement an automated time collection system for federally funded employees.</p>	<p>1.A.2 The TDR SOP was signed on October 19, 2015.</p>	<p>1.M Confirm with Budget, Human Resources (HR), and Payroll to discuss staffing list and account set-up.</p> <ul style="list-style-type: none"> • Re-Verify Structure of Account (Federal list to Budget > HR > Federal Programs > Accounting (Labor cost and draw) > Employee Time Tracker > 3-way match to A-87) <p>1.N Re-test Workflow Process</p> <p>1.N.1 Budget runs and exports Job Salary Report > HR and Federal Programs</p>
Implementation Deliverables	Completion Risks	<p>1.N.2 HR to input Federal Staffing (Position Control, Master and Job Salary) Single and Multiple Cost Objectives > Job Allocation for Multiple Cost</p> <p>1.N.3 Accounting > Labor Cost > AJE's / JV's</p> <p>1.O Re-test Verification of Disadvantages</p> <p>1.O.1 Verify Structure of Account (Budget/HR/Payroll)</p> <p>1.O.2 Verify Structure of HR on staffing for 3-way match</p> <p>1.O.3 Verify Structure of PR on single and multiple cost objective in PR system</p> <p>1.O.4 Verify Structure of Employee Job Salary Report > Staffing vs. Employee Time Tracker > TDR</p> <p>1.P Re-edit TDR SOP incorporating A-87 (electronic TDR)</p> <p>1.P.1 Finalize and re-edit work flow process and responsibilities incorporating A-87</p> <p>1.Q Training. Scheduled for May 2016</p> <p>1.Q.1 Training and accessibility for program managers / project directors / federal program state</p>
<p>Written and approved SOPs, including training for applicable GDOE personnel, to ensure:</p> <ul style="list-style-type: none"> • accurate and up-to-date employee staffing lists based on notices of personnel actions (from Personnel Division and validated by FPD and LEA programs); • accurate and timely time distributions among funding sources for split-time employees, and proper allocation of salary costs among funding sources (from respective programs and validated by FPD and LEA programs); • accurate and properly executed time distribution reports and attendance records (from respective programs and validated by FPD and LEA programs); • properly executed and timely semiannual certifications (from respective programs and validated by FPD and LEA programs); • internal control checklists to ensure compliance with Circular A-87; and • identification of a computer-based and accurate time and attendance system, with documentation of requirements to support implementation, training and administration (validated by FPD and LEA programs). 	<p>System Risk – With the implementation of the Employment Self Service, FPD together with Payroll and Personnel will determine the validity of the employee tracking and reporting of time spent on US Education funded programs. Risk level – Low. Refer to FMIS Time and Effort.</p> <p>Adaptation Risk – Speed with which all users adapt to the new system, associated technology and processes will impact efficacy of the new service. Additionally, technology being introduced to all federally funded employees will require training. Risk level – Low. Refer to FMIS Time and Effort.</p>	

Schedule Based upon Performance Plan	New Deliverables Completed	Responsible Person/Department
<p>ETT Continued. Activity in the “Status Report as of 6/30/15” section reflects transition objectives / milestones that were completed or were in process during this CCAP quarter. Detail and commentary listed in the “Next Steps / Comment section” reflects objective / milestones listed in the Transition Plan that are planned to be worked on and completed in the subsequent CCAP quarter (July 1, 2015 thru September 30, 2015).</p>	<p>Manual SOP finalized and signed October 19, 2015. Training set tentatively for November 30, 2015.</p>	<p>Ignacio Santos, Federal Programs Administrator Taling Taitano, Deputy Superintendent</p>

Financial Management Information System (FMIS)

Required Actions and Activities	Status Report as of 12/31/2015	Next Steps / Comments
FMIS-1: Detail design of a FMIS with processing functionality that complies with Generally Accepted Accounting Procedures, U. S. governmental accounting standards, and the Government Accounting Standards Board.	Completed	Completed
Implementation Deliverables	Completion Risks	
Detail system design specifications approved by GDOE Finance and Administration management.	Completed	
Schedule Based upon Performance Plan	New Deliverables Completed This Quarter	Responsible Person/Department
Completed		Taling Taitano, Deputy Superintendent

Financial Management Information System (FMIS)

Required Actions and Activities	Status Report as of 12/31/2015	Next Steps / Comments
<p>FMIS-2: Basic installation is now complete. The routine maintenance and enhancement will be reported in this section. Items completed this period and open enhancements appear in the columns to the right.</p>	<p>2.A Reporting Preprogramed system generated monthly reports have been set up to generate and be delivered to school Administrators and Support Staff via email on the 5th of every month for school managed funds.</p> <p>Accounting and Budget have met to identify a strategy to address the large number of expired accounts that remain active in Munis.</p> <p>2.B Munis TDR (A-87) Tyler completed corrections that were reported in previous quarter. Presented A-87 functionality to management. Preliminary end user instructions were adjusted based on management feedback.</p> <p>2.C Munis Staffing Pattern (SP) Testing completed on Tyler corrections.</p> <p>2.D Billing The Billing module infrastructure (coding) was created in the Live Munis environment, end-user instructions were finalized and invoices was created and issued for receivables.</p> <p>2.E Salary and Benefit Projection (S&BP) Set up and tested S&BP was completed. Met with Management to present S&BP functionality. Created end user instructions, trained end users and generated a Salary and Benefit Projection in Munis.</p> <p>2. J Electronic Bank Reconciliation—Completed</p> <p>2.H Contract Management Held meeting with Contract Management POCs to identify data points to be captured. Tested contract information entry in temporary environment. Presented Contract Management functionality to management. Created end user instructions.</p>	<p>2.A Reporting Periodic monitoring to be sure that schools are still receiving the system generated scheduled reports.</p> <p>Budget and Accounting will identify accounts to be inactivated / closed. Following the inactivation / closure of expired active accounts, preprogramed system generated reports will be scheduled to generate and deliver electronically on a monthly basis to the respective remaining fund managers.</p> <p>2.B Munis TDR (A-87) Please refer to Employee Time Tracking for next steps.</p> <p>2.C Munis Staffing Pattern -HR Administrator identified additional errors on the SP report. Errors will be communicated to Tyler for resolution. -Finalize End-User instructions -Train End Users</p> <p>2.D Billing Continued use of the Billing module to track GDOE receivables.</p> <p>2.H Contract Management -Determine the workflow (entry and approvals) for contract entry and posting. -Compile and enter current contract information into Live environment -Train end users -Roll out Contract Management</p> <p>2.I Vendor Self Service See Procurement for vendor training on VSS.</p> <p>2. J Electronic Bank Reconciliation Continued use of the Munis system to perform bank reconciliations.</p>

<p>FMIS-2 Continued:</p>	<p>2.I Vendor Self Service Created Vendor Self Service manuals for VSS registration and navigation.</p> <p>2.K Build FMIS Section—Completed</p> <p>2.O Munis Student Activities (NAF) Held meetings with IAO NAF POC to review current process, documentation and needs. Researched possible Munis solutions to address needs and issues.</p>	<p>2.O Munis Student Activities (NAF) -Test proposed Munis solutions in temporary environment and present the ideas to IAO. -Create or adjust existing end user instructions (dtps) and propose adjustments to SOPS if necessary. -Train End Users.</p> <p>2.R Tyler Content Manager (TCM) -Meet with Comptroller and Deputy regarding Business Office reporting and TCMEE. -Train Business Office staff to use the TCMEE</p>
<p>Implementation Deliverables</p>	<p>Completion Risk</p>	<p>Next Steps / Comments</p>
<p>FMIS-2 Continued: A secure, reliable and fully integrated FMIS that supports the financial management of US ED grant awards and complies with federal requirements. Detailed and up-to-date system and application documentation necessary to manage and sustain the FMIS and its applications on an ongoing basis. Sufficient qualified and trained accounting staff to manage all financial processing and reporting required by GDOE.</p>	<p>Build and Roll-out of Modules by target dates dependent on the availability of the division staff per respective module, and the responsiveness of Tyler Technologies. Risk Level—Medium.</p>	

Schedule Based upon Performance Plan	New Deliverables Completed	Responsible Person/Department
<p>Next system upgrade to version 11.1 is dependent on software upgrades for server and assessment of new version of Munis software in test environment. Targeting March 2016 for upgrade.</p> <p>Activity in the “Status Report as of 12/31/2015” section reflects transition objectives / milestones that were completed or were in process through this CCAP quarter. Detail and commentary listed in the “Next Steps / Comment section” reflects objective / milestones listed in the Transition Plan that are planned to be worked on and completed in the subsequent CCAP quarter (January 1, 2016 thru March 31, 2016).</p>		<p>Jacqueline Mesa, Management Analyst IV</p>

Financial Management Information System (FMIS)

Required Actions and Activities	Status Report as of 12/31/2015	Next Steps / Comments
<p>FMIS-3: Continued activities of the Agent to oversee all US ED funds awarded to GDOE until a credible financial management system is implemented and fully operational, and GDOE has demonstrated that it can be accountable for US ED funds in accordance with all federal requirements.</p>	<p>TPFA continues to manage all federal grant funds from GDOE using an independent MUNIS system and separate bank accounts.</p> <p>GDOE procurement staff continues to use TPFA system for procurement processing. GDOE also provides accounts payable support.</p> <p>Weekly meetings with TPFA are held to coordinate activities and resolve any concerns. TPFA supporting audit by providing details as requested by auditors.</p> <p>GDOE PULSE reports continue to be used to update rosters needed for three way match of payroll.</p>	<p>Continued operation of the TPFA independent financial management system and bank accounts will continue.</p> <p>More detailed documentation of problems with three way match for payroll should assist in resolving issues. Training on TDRs for school administrators and project directors will be scheduled.</p> <p>Regular reports are reviewed to ensure any outstanding receivables are resolved in a timely manner.</p> <p>GDOE and TPFA are looking into areas to transfer responsibilities to GDOE. For example, performing the three way match testing for personnel costs.</p>
Implementation Deliverables	Completion Risks	<p>Plan for migration of historical data on TPFA system to GDOE system upon TPFA exit.</p>
<p>A stable and reliable financial information systems processing environment. US ED funds expended only for costs that are allowable under the respective grant programs. Allowable costs procured in accordance with applicable procurement requirements. Coordinated timing of US ED draws and reimbursements to ensure that payments to staff, vendors and providers are prompt and timely. Grant funds that are charged only for costs resulting from obligations that were properly made during the funds' period of availability, including any carryover period.</p>		
Schedule Based upon Performance Plan	New Deliverables Completed	Responsible Person/Department
<p>Continuing</p>	<p>Routine</p>	<p>Taling Taitano, Deputy Superintendent</p>

Financial Management Information System (FMIS)

Required Actions and Activities	Status Report as of 12/31/2015	Next Steps / Comments
<p>FMIS-4: Moving to the next level and sustaining the progress that has been made to date. A program of END User Training and routine review of Standard Operating Procedures will be established.</p>	<p>MUNIS End-User Trainings during the Quarter (attendees)</p> <ul style="list-style-type: none"> • Requisition Entry (31) • Account Inquiry and Munis Reports (55) • Intro to Pulse (13) • Maintenance Service Requests (15) • Time Entry (38) 	<p>Continuous Munis End User Training Related Activity</p> <ul style="list-style-type: none"> • Training during and around Spring, Summer and Christmas breaks • Conducting post surveys to focus training and determine effectiveness • Conduct other Munis End User targeted surveys to determine how to structure future training and support.
Implementation Deliverables	Completion Risks	
<p>End Establish End User Training Updated or new SOPs</p>	<p>Continued Training – Low SOP Development – High</p>	
Schedule Based upon Performance Plan	New Deliverables Completed	Responsible Person/Department
<p>FMIS 4 Continued. Activity in the “Status Report as of 12/31/2015” section reflects transition objectives / milestones that were completed or were in process during this CCAP quarter. Detail and commentary listed in the “Next Steps / Comment section” reflects objective / milestones listed in the Transition Plan that are planned to be worked on and completed in the subsequent CCAP quarter (January 1, 2016 thru March 31, 2016).</p>		<p>Jacqueline Mesa, Management Analyst IV Franklin Cooper-Nurse, Chief Auditor</p>

Intergovernmental Agency Arrangements

Required Actions and Activities	Status Report as of 12/31/2015	Next Steps / Comments
<p>Intergovernmental Agency Procedure-1: Guidance from USEd’s Title V-A Program Office regarding Intergovernmental Agency. Based on Guidance, Title V-A does not authorize sub-grants to other agencies.</p>	<p>Guidance from USEd’s: Sub-Grantee is not authorized under Title V-A. However, GDOE has the authority to partner or collaborate through an existing Memorandum of Understanding (MOU) and/or Memorandum of Agreement (MOA) with Intergovernmental Agencies.</p>	<p>Based on Guidance provided by USDOE Program Office, the Federal Programs Division shall include within the respective Project Application, Intergovernmental Agency partnerships, if applicable. Also within the Budget Narrative, a new Object Code shall be established, object code 231, “Other Agencies, Partnerships, Collaboration, Intergovernmental Agencies”.</p> <p>Based on the Consolidated Grant application, USDOE will approve such activity.</p>
Implementation Deliverables	Completion Risks	
<p>Written Guidance provided by USDOE</p>	<p>Adaptation Risk – acceptance by which all partners are identified within the program application and subsequently approved within the Consolidated Grant Application by USDOE. Adherence to the procedures is minimal. Risk level – Low.</p>	
Schedule Based upon Performance Plan	New Deliverables Completed	Responsible Person/Department
<p>To be finalized upon submission of respective Consolidated Grant Application and approved by USEDOE’s Program Office.</p>	<p>Evidence: Approval by USDOE on the FY ’14 Consolidated Grant Application as noted within the respective Project and Budget Applications (Intergovernmental Agencies).</p>	<p>Ignacio Santos, Federal Programs Administrator</p>

Internal Controls and Procedures

Required Actions and Activities	Status Report as of 12/31/2015	Next Steps / Comments
<p>IC-1: Over the next two years, GDOE will develop and implement a credible financial management system. Management will ensure employees are properly trained on new system and trained on the new standard operating procedures as a result of the new FMIS. This will ensure the system would provide the correct amount of funds, in the correct accounts, in a consistent and timely manner. Credible financial management includes systems, policies and procedures that (1) provide access to reliable information when needed, (2) account appropriately for funds, (3) ensure timely deposits or draw down of funds, (4) ensure timely and accurate payments, (5) otherwise enable and support generally accepted government financial management and accounting standards and requirements.</p> <p>Additionally, the financial management system will record and account for all draws and expenditures of federal education funds</p>	<p>6.I, 6.J, and 6.AE. Adoption of SOPs in this quarter (Completed)</p> <ul style="list-style-type: none"> • SOP 200-041: School Meals Collection • SOP 200-042: Revenue Control & Management Policy • SOP 900-020: Time Distribution Report <p>6.AF. Adoption of SOPs (Pending)</p> <ul style="list-style-type: none"> • Grant Procedure Manual <p>6.A to 6.AG [Except for 6.AF]. Staff Training & Staff Acknowledgement Forms (Completed)</p> <ul style="list-style-type: none"> • Procurement (11 SOPs) • Business Office (10 SOPs) • Human Resources (5 SOPs) • Property Management Office (2 SOPs) • Budget Office (2 SOPs) • Payroll (1 SOPs) • Federal Programs (1 SOPs) 	<p>6.AF. Adoption of Grant Procedural Manual SOP will be made on 3/28/16.</p> <p>6.A to 6.AG [Except for 6.AF]. Amendment to SOP and Amendment to SOP Approved by the Superintendent</p> <ul style="list-style-type: none"> • Procurement (11 SOPs) • Business Office (10 SOPs) • Human Resources (5 SOPs) • Property Management Office (2 SOPs) • Budget Office (2 SOPs) • Payroll (1 SOPs) • Federal Programs (1 SOPs) <p>6.C and 3.D. IAO Walkthrough of SOP, IAO Assessment of SOP, IAO Testing of SOP, IAO Reporting of Testing Results (On-going)</p> <ul style="list-style-type: none"> • SOP 200-021: Off-Island Travel Procedures
<p>Implementation Deliverables</p>	<p>Completion Risks</p>	
<p>IC-1: TPFA implemented the Tyler-MUNIS ERP financial management system effective December 2010. GDOE has implemented a Financial Management Information System (FMIS), which includes functionality to support all GDOE financial applications (April 2012).</p> <p>A credible financial management system designed and implemented to meet the EDGAR and other federal reporting requirements in terms of timeliness of funds management and reporting. Additionally, custom reports designed to capture federal grant activity.</p>	<p>Competing priorities may stall progress.</p> <p>Risk: Medium/High</p>	

Schedule Based upon Performance Plan	New Deliverables Completed	Responsible Person/Department
<p>Activity in the “Status Report as of 12/31/15” section reflects transition objectives / milestones that were completed or were in process during this CCAP quarter. Detail and commentary listed in the “Next Steps / Comment section” reflects objective / milestones listed in the Transition Plan that are planned to be worked on and completed in the subsequent CCAP quarter (Jan 1, 2016 thru March 31, 2016).</p>	<p>Adoption of SOPs’ 200-041, 200-042, and 900-020.</p>	<p>Taling Taitano, DSFAS Jacqueline Mesa, FMIS</p>

Internal Controls and Procedures

Required Actions and Activities	Status Report as of 12/31/2015	Next Steps / Comments
<p>IC-2: GDOE Finance and Administration must demonstrate improved communication and cooperation to develop an integrated financial management system that meets the needs of the organization.</p>	<p>Federal Programs working with TPFA, Accounting, Payroll, Human Resources, Budget, Internal Audit, and Program Managers coordinated to develop new time and effort procedures.</p> <p>Fixed assets from the TPFA system has been uploaded into GDOE system. Quarterly uploads are scheduled.</p> <p>Meeting held with operational units to discuss year end, year beginning procedures to ensure timely closing and opening of the fiscal years. Review of account codes and work flows also performed to incorporate changes needed.</p> <p>Meetings held with project directors, accounting, budget, and human resources to discuss grant requirements for recent GANs.</p>	<p>Continue collaboration with schools and divisions to address:</p> <ul style="list-style-type: none"> • Personnel and payroll issues; • Procurement, receiving, inventory, and payables issues; • Budgeting and reporting issues; • Cash receipts and account receivable issues; and • Non-Appropriated Funds. <p>Benchmarks and stakeholder satisfaction surveys in process of adoption/development.</p> <p><u>Vendor EFTs/ACH Registry</u> Continue to encourage GDOE vendors to register for EFTs/ACH payment options.</p>
Implementation Deliverables	Completion Risks	
<p>IC-2: Department-wide subcommittee structure focused on each of the issue areas. The structure will drive collaboration, which is also necessary to support FMIS implementation which supports GDOE-wide financial management. GDOE departments working together on a daily basis to address implementation, compliance and other activities. Efforts to include direct Internal Audit support of external independent auditors in conduct of single audits as required by the Single Audit Act.</p>	<p>Adaptation Risk – acceptance of direct deposit by employees. Risk level – Low Vendor EFTs/ACH. Risk level – Moderate.</p> <p>Although IAO consists of only two employees, the division continues to move forward and accomplish duties and responsibilities. Maintaining sufficient staffing levels within the BO and IAO continues to be a challenge with the loss of personnel due to either retirement or detailed appointments. Awaiting the approval for two requests to fill vacancy positions in AP. Risk: Medium/High</p>	
Schedule Based upon Performance Plan	New Deliverables Completed	Responsible Person/Department
<p>Ongoing</p>	<p>Labor Distribution and General Ledger Detail distributed to EFSC on monthly basis.</p>	<p>Taling Taitano, DSFAS Jacqueline Mesa, FMIS</p>

Internal Controls and Procedures

Required Actions and Activities	Status Report as of 12/31/2015	Next Steps / Comments
<p>IC-3: Reliance on the credible financial management system by other Guam agencies and single auditors as accurate system of record.</p>	<p>COMPLETED</p> <p>Monthly MUNIS reports continue to be provided to the Education Finance Supervisory Council (EFSC). The EFSC is made up of the Department of Administration, the Bureau of Budget & Management Research, the Office of Public Accountability and the Guam Legislature’s Office of Finance & Budget.</p> <p>Separate meetings are held with DOA regularly to regarding cash needs.</p> <p>3.F Timely Completion of GDOE’s Financial and Single Audit. GDOE Business Office performed a soft close of its accounting books on November 10, 2015. GDOE contracted with its independent financial auditor, Deloitte & Touche, LLP, on December 1, 2015. Deloitte engaged with GDOE on December 7, 2015. GDOE Business Office performed a hard close of its accounting books on January 4, 2016. IAO has been coordinating with Deloitte and GDOE management on addressing audit requests.</p>	<p>Regularly reconcile GDOE’s financial information with BBMR, DOA, and the TPFA to ensure information is accurate supports timely completion of audit.</p> <p>3.F Timely Completion of GDOE’s Financial and Single Audit. An Entrance Conference meeting with OPA, Superintendent, GDOE Business Office, Federal Programs, TPFA, and IAO will be conducted in February 2016.</p>
Implementation Deliverables	Completion Risks	
<p>A credible financial management system whose implementation is guided by Generally Accepted Accounting Procedures (GAAP) and supported by SOPs to ensure a system of internal controls over financial reporting that can be relied upon by external independent auditors for the purpose of expressing an opinion on the financial statements. Periodic</p>	<p>Low based on staff’s time spent to identify and work out errors and deficiencies of the GASB 34 reporting module.</p> <p>Lack of manpower continues to hinder progress. Risk level – Low.</p>	

<p>examination and documentation of internal controls by internal audit staff to ensure that the controls are operating as intended without exception.</p> <p>Information management needs met by all users (e.g., custom reconciliation worksheet to support requirements and tracking of federal draw funds).</p>		
Schedule Based upon Performance Plan	New Deliverables Completed	Responsible Person/Department
<p>Ongoing support provided to EFSC. Timely completion of FY15 audit.</p>	<p>Deloitte has been contracted as GDOE’s independent financial auditor on December 1, 2015. Deloitte engaged with GDOE on December 7, 2015.</p>	<p>Taling Taitano, DSFAS Franklin Cooper-Nurse, Chief Auditor</p>

Internal Controls and Procedures

Required Actions and Activities	Status Report as of 12/31/2015	Next Steps / Comments
<p>IC-4: GDOE will develop a grant spending process that ensures that grant awards are based on specified program plans and spent on the programs in a timely manner. The grants system will be integrated with the FMIS.</p>	<p>GDOE has prepared FFY15 Consolidated Grant application and is awaiting invitation to submit from USDE.</p> <p>Monthly grant status reports requisition and purchase order reports issued so managers can track grant balances.</p>	<p>Program managers are working to ensure that the FFY14 Consolidated Grant is being expended timely given the short amount of time left in the fiscal year.</p> <p>Budget, Accounting, Payroll and Procurement meet with SPED and Head Start to discuss recent GAN and ensure that accounts are appropriately set up, budget loaded, and any large procurement planned.</p>
Implementation Deliverables	Completion Risks	
<ul style="list-style-type: none"> • Program plans will serve as the basis for application disbursement; • Grant spending process will be supported by SOPs, internal control checklists, and training for all affected personnel; • Disbursements will tie to actions specified in program plans; • Funds will be expended for allowable purposes under the statutes; and • No funds will be lost due to lapsing obligation periods. • Legal review has been added to MUNIS approval workflow to help ensure smooth procurement process. 	<p>Delay in the issuance of the GAN as well as attachment T related approvals may delay hiring and procurement activities. Risk level – High.</p> <p>The delay in the issuance of the invitation to submit the Consolidated Grant application, change in USDOE staff, new electronic submission requirements, and resultant delays in issuance of GAN will likely affect GDOE’s ability to timely spend funds.</p>	
Schedule Based upon Performance Plan	New Deliverables Completed	Responsible Person/Department
<p>Ongoing</p>		<p>Franklin Cooper-Nurse, Chief Auditor Ignacio Santos, Federal Programs Administrator</p>

Internal Controls and Procedures

Required Actions and Activities	Status Report as of 12/31/2015	Next Steps / Comments
<p>IC-5: GDOE will reconstitute its IAO by developing an annual audit plan and hiring additional staff to conduct audit work, including the risk assessments (MIC, Audit Assessment, and CCAP), and coordinating GDOE’s external audits (OPA’s performance audits and the GDOE’s independent financial auditors’ financial and single audits, including NAF and resolution of prior audit findings).</p> <p>The Chief Auditor will update the MIC. The MIC consists of GDOE school administrators and division heads’ risk assessment, the IAO’s own risk assessment, and conducting fieldwork to test the internal controls of identified high risk areas.</p> <p>Procedures and processes to ensure financial and single audit reports are issued within nine months after the end of each fiscal year as required by the Single Audit Act, as amended</p>	<p>3.A Rebuild Internal Audit Office Two Auditor II’s were hired and began their employment with IAO in September 2015.</p> <p>3.D and 6.C. IAO Walkthrough of SOP, IAO Assessment of SOP, IAO Testing of SOP, IAO Reporting of Testing Results (On-going) IAO has established an internal controls framework for assessment of GDOE’s internal control deficiencies. IAO’s assessment will utilized the Green Book COSO standards for the five control components.</p> <p>IAO is currently conducting an audit of SOP 200-021: Off-Island Travel Procedures; and planned an audit of SOP 200-019: Fixed Asset Management for Schools and Divisions to be performed in June 2016.</p> <p>3.E SEFA Reconciliation GDOE has moved forward and is in the process of completing an SOP for the timely reconciliation of SEFA. The SOP is to be completed or drafted by GDOE’s Comptroller, reviewed by Deputy Superintendent of Finance and Administrative Services and Superintendent, and periodically reviewed by the Chief Auditor.</p> <p>3.F. Timely Completion of GDOE’s Financial and Single Audit (On-going) GDOE Business Office performed a soft close of its accounting books on November 10, 2015. GDOE contracted with its independent financial auditor, Deloitte & Touche, LLP, on December 1, 2015. Deloitte engaged with GDOE on December 7, 2015. GDOE Business Office performed a hard close of its accounting books on January 4, 2016. IAO has been coordinating with Deloitte and GDOE management on addressing audit requests.</p>	<p>3.A Rebuild Internal Audit Office Based on audit standards, IAO will review its workflows and assess its resources to execute mandates, risk-based audits, advisories, and internal controls assessment.</p> <p>3.D and 6.C. IAO Walkthrough of SOP, IAO Assessment of SOP, IAO Testing of SOP, IAO Reporting of Testing Results (On-going) The audit of SOP 200-021: Off-Island Travel Procedures is in the fieldwork phase of the audit. The audit report is planned to be submitted to the Superintendent by March 2016.</p> <p>3.E SEFA Reconciliation Conduct training on SOP to ensure staff understand procedures.</p> <p>Develop and follow corrective action plan to address this repeat finding.</p> <p>Follow month end close checklist and provide evidence that reconciliations are being performed on monthly basis.</p> <p>3.F. Timely Completion of GDOE’s Financial and Single Audit (On-going) An Entrance Conference meeting with OPA, Superintendent, GDOE Business Office, Federal Programs, TPFA, and IAO will be conducted in February 2016.</p>

Required Actions and Activities	Status Report as of 12/31/2015	Next Steps / Comments
IC-5 Continued.	Launch of the Internal Audit website and hotline occurred in November.	
Implementation Deliverables	Completion Risks	
Updated MIC Assessment report, NAF draft reports	<p>Success will hinge on successful staffing of the IAO. Proposed salary increases at the OPA pay make it difficult to recruit and retain staff.</p> <p>Lack of staffing and additional mandates. The IAO identified a net negative manpower hours vs. assigned tasks (CCAP and TPFA Transition Plan) and mandates (MIC, NAF, Charter Schools, and SOPs/Internal Controls) in its Audit Plan.</p> <p>Risk level – High.</p>	
Schedule Based upon Performance Plan	New Deliverables Completed	Responsible Person/Department
Activity in the “Status Report as of 2/1/16” section reflects transition objectives / milestones that were completed or were in process during this CCAP quarter. Detail and commentary listed in the “Next Steps / Comment section” reflects objective / milestones listed in the Transition Plan that are planned to be worked on and completed in the subsequent CCAP quarter (February 2, 2016 thru March 31, 2016).	Deloitte has been contracted as GDOE’s independent financial auditor on December 1, 2015. Deloitte engaged with GDOE on December 7, 2015.	Franklin Cooper-Nurse, Chief Auditor

Internal Controls and Procedures

Required Actions and Activities	Status Report as of 12/31/2015	Next Steps / Comments
<p>IC-6: GDOE will develop reconciliation procedures to address audit finding 2013-004, reconciliation between federal expenditures and SEFA and audit finding 2013-005, reconciliation between general ledger and SEFA</p>	<p>3.E SEFA Reconciliation GDOE has moved forward and is in the process of completing an SOP for the timely reconciliation of SEFA. The SOP is to be completed or drafted by GDOE's Comptroller, reviewed by Deputy Superintendent of Finance and Administrative Services and Superintendent, and periodically reviewed by the Chief Auditor.</p>	<p>3.E SEFA Reconciliation Conduct training on SOP to ensure staff understand procedures. Develop and follow corrective action plan to address this repeat finding. Follow month end close checklist and provide evidence that reconciliations are being performed on monthly basis.</p>
Implementation Deliverables	Completion Risks	
<p>Standard Operating Procedures and related training. No repeat findings.</p>	<p>Lack of adequate staff. Risk level – High.</p>	
Schedule Based upon Performance Plan	New Deliverables Completed	Responsible Person/Department
<p>June 2016</p>	<p>Quarterly Reconciliation documents</p>	<p>Franklin Cooper-Nurse, Chief Auditor Lourdes Perez, Comptroller</p>

Procurement

Required Actions and Activities	Status Report as 12/31/2015	Next Steps / Comments
<p>P-1: GDOE will develop and implement effective procurement policies and procedures that ensure:</p> <ul style="list-style-type: none"> • Delivery of ordered supply items within specified timeframes for correct type of supply from selected vendor; • Delivery of supplies and equipment, tagged and entered into a property management system, to schools within three days of receipt; and • Recording of when items are ordered, when orders arrive and are entered into the financial management system, and when they are delivered. 	<p>4.B Training</p> <p>4.B.1 Continuous: Formalize Training program for all current and future procurement staff – including content development and materials.</p> <p>4.B.3 Continuous Training for procurement staff on Guam Procurement Law & Regulations. 3 additional procurement staffers have completed the Guam Community College CBE101 Procurement Basic Training: Fundamentals & Principles which concluded on 2/3/2016. Modules 2, 3, & 4 must be completed on or before October 1, 2016, as per 5GCA §5141.</p>	<p>4.B Training</p> <p>4.B.1 Continuous: Formalize Training program for all current and future procurement staff – including content development and materials.</p> <p>4.B.2. Continuous Training to the Uniform Administrative Requirements – Cost Principals, and Audit Requirements for Federal Award.</p> <p>4.B.3 Continuous Training for procurement staff on Guam Procurement Law & Regulations. All GDOE procurement staff must complete all Modules 1, 2, 3 & 4 provided by Guam Community College on or before October 1, 2016 as per 5GCA §5141.</p>
Implementation Deliverables	Completion Risks	
<p>Written policies and procedures to ensure that US ED funds are used only for allowable costs, including costs that are necessary, reasonable, and allocable to the respective grants as required by OMB Circular A-87, and that are procured in accordance with applicable procurement requirements in 34 CFR §§ 80.36(b)-(j).</p>	<p>System Risk – Delayed implementation of the new FMIS and its processes will impact the verification, monitoring and reporting capabilities. Risk level – Low.</p> <p>Adaptation Risk – Speed with which all users adapt to the new system, associated technology and processes will impact efficacy of the new FMIS. Risk level – Low to Medium.</p>	<p>4.B.6. Regulations have changed increasing federal small purchase threshold from \$100,000.00 to \$150,000.00 according to the OMB Super Circular: Simplified Acquisition Threshold § 200.88. Pending response from the Attorney General’s office regarding the increase to the departments Simplified Acquisition threshold for the USDOE federally funded programs & activities.</p>
Schedule Based upon Performance Plan	New Deliverables Completed This Quarter	Responsible Person/Department
<p>Procurement is working on implementing USDOE’s recommendations from the November 15, 2015 Exit Meeting Memorandum.</p>	<p>4.E.1 through 4.E.4 Procurement SOPs - Completed</p> <p>Still in the process of the assessment & implementation stage. SMA still needs to review, test and/or amendment approved SOP’s in order for this process to be considered in the burn in stage.</p>	<p>Carmen Taitano, Supply Management Administrator</p>

Procurement

Required Actions and Activities	Status Report as of 12/31/2015	Next Steps / Comments
<p>P-2: Implement reporting system that will track requisitions and open Purchase Orders. The system will reflect when items are ordered, when orders arrive and are logged into the system, and when they are delivered to the proper location.</p>	<p>4.D – Reporting & Accountability</p> <p>4.D.4 Create and distribute open PO reports Local & Federal</p> <p>4.D.5 Beginning of the FY16 Local Munis has started to reach out to vendors to follow up on pending P/O’s that still need to be delivered. GDOE Buyers who have been working with the TPFA system have been handling this process since April 2015.</p> <p>4.D.6 With the new Buyer Supervisor II (local), the Open requisition & Open P/O reports are being distributed to the local and non-USDOE programs.</p>	<p>4.D – Reporting & Accountability</p> <p>4.D.2. Procurement has been working on the detailed district wide procurement calendar. Still waiting for Consolidated Grant application to get approved “GAN”.</p>
Implementation Deliverables	Completion Risks	
<p>Monthly summary of completed purchases and procurement actions; Established process for routine review of federally funded requisitions and purchase orders.</p>	<p>System Risk – Delayed implementation of the new FMIS and its processes will impact the verification, monitoring and reporting capabilities. Risk level – Low.</p> <p>Adaptation Risk – Speed with which all users adapt to the new system, associated technology and processes will impact efficacy of the new FMIS. Risk level – Low to Medium.</p>	
Schedule Based upon Performance Plan	New Deliverables Completed	Responsible Person/Department
<p>Procurement is working on implementing USDOE’s recommendations from the November 15, 2015 Exit Meeting Memorandum.</p>	<p>Open requisitions report distributed by GDOE staff on a regular basis to those whose requisitions are in workflow</p>	<p>Carmen Taitano - Supply Management Administrator</p>

Procurement

Required Actions and Activities	Status Report as of 12/31/2015	Next Steps / Comments
<p>P-3: Improve departmental procurement processes beyond those responsibilities directly related to the modules of the Financial Management Information System (FMIS).</p>	<p>4.A Rebuild/Staff Augmentation of Procurement Office</p> <p>4.A.1 Review needs of the Procurement Office – Completed 11/30/15</p> <p>4.A. 9 Hire Buyer Supervisor II “Local” – Completed 10/12/15</p> <p>4.A.10 Once Buyer Supervisor II is in place, training will be conducted for this particular position. – Completed 12/07/15</p> <p>4.A.16 Once Buyer II is in place, training will be conducted for this particular position. – Completed 11/30/15</p>	<p>4.A Rebuild/Staff Augmentation of Procurement Office</p> <p>4.A.23 thru 4.A.25 Pending review by Superintendent</p> <p>4.A.23 Review long-term staffing needs of the Procurement Office</p> <p>4.A.24 Review metrics and other statistics to determine additional needs of the Procurement Office</p> <p>4.A.25 Determine the need for a Contract Management Administrator</p>
Implementation Deliverables	Completion Risks	
<p>Development and publication of procurement policies and procedures, and external verification of compliance with SOPs.</p>	<p>Recruitment of third attorney ongoing. Risk Level – Medium.</p>	
Schedule Based upon Performance Plan	New Deliverables Completed	Responsible Person/Department
<p>Procurement is working on implementing USDOE’s recommendations from the November 15, 2015 Exit Meeting Memorandum.</p>	<p>Procurement has been fully staffed since October 2015 to include the two augmented employees. As of December 1, 2015 the two augmented employees have shifted to Property Management up until May 30, 2016. Starting June 1, 2016 they will shift back to the procurement office to assist in the closing of fiscal year 2016.</p>	<p>Carmen Taitano - Supply Management Administrator</p>

Property Management

Required Actions and Activities	Status Report as of 12/31/2015	Next Steps / Comments
<p>PM-1: GDOE will develop and implement effective property management policies and procedures that ensure compliance with Federal regulations, to include tagging and tracking of inventory and prompt delivery of property purchased with federal funds to the appropriate location, so that items may be used for the purpose for which they were purchased.</p>	<p>5.A – Tagging of USDOE-funded assets. 5.A.2 – Enter USDOE funded assets in Munis under the correct funding source. Completed 10.19.15 & ongoing. 5.A.5 – Have thorough knowledge of 2 CFR Chapter I, Chapter II, Part 200, et al and USDOE related policies to enforce regulations. Completed 10.12.15 & ongoing. 5.F – GDOE PMO continue to provide ongoing training to school & division Property Liaison Officers. Objective completed and ongoing. 5.G Staff Augmentation 5.G.2 & 3 – Due to the timing of the hiring of the two (2) shared PCO/Buyers, these two hires actually started in Procurement in July 2015 and moved to Property Management on December 1, 2015.</p>	<p>5.A – Tagging of USDOE-funded assets. New Objective 5.A.2 – Ensure Fixed Assets records include an identifiable funding source. 5.C.1 – 5, Staff training on BMI software, Munis fixed assets module, computer skills. PMO staff require continued training and immersion with BMI, Munis and Microsoft Excel to achieve mastery. Training sessions to continue after completion of 2016 inventory and reconciliation. Updated target to 10.31.16. 5.D – Standard Operating Procedures 5.D.3 – Addition to proposed Amendment to SOP# 200-019, Responsibilities of Inventory Management Officer: “Ensures that Asset Tags are always in possession of and placed on fixed assets by PMO or TPFA staff.” Target 01/11/16. 5.E – Receiving assets (warehouse & schools) New Objective 5.E.4 – Fill the Warehouse Supervisor position. Target aligned with results of GDOE Organizational Review; 04/04/16.</p>

Required Actions and Activities	Status Report as of 12/31/2015	Next Steps / Comments
PM-1 Continued.		
Implementation Deliverables	Completion Risks	
Replace all local DOE property tags with type and make identical to those currently in use by TPFAs for federally purchased assets; result is the removal of probable convergence of numbers in MUNIS system. Written Property Management SOPs. Comprehensive physical inventory resulting in detailed fixed asset ledger and ability to perform depreciation expense accurately and efficiently.	System Risk – Delayed implementation of the new FMIS and its processes will impact the verification, monitoring and reporting capabilities. Risk level – Low. Adaptation Risk – Speed with which all users adapt to the new system, associated technology and processes will impact efficacy of the new FMIS. Risk level – Low to Medium. Technology being introduced to Receiving Warehouse where users will require training. Manpower issues being addressed. Risk level – Low to medium	
Schedule Based upon Performance Plan	New Deliverables Completed	Responsible Person/Department
Activity in the “Status Report as of 12/31/15” section reflects transition objectives / milestones that were completed or were in process during this CCAP quarter. Detail and commentary listed in the “Next Steps / Comment section” reflects objective / milestones listed in the Transition Plan that are planned to be worked on and completed in the subsequent CCAP quarter (Jan 1, 2016 thru March 31, 2016).	Objective 5.A.1 – 6, Completed & ongoing. Objective 5.D.1 & 2, Completed and ongoing. Objective 5.E.1 – 3, Completed & ongoing. Objective 5.F – Completed & ongoing. Objective 5.G.1 – 4, Completed.	Marc Pido - Program Coordinator III

Property Management

Required Actions and Activities	Status Report as of 12/31/2015	Next Steps / Comments
<p>PM-2: GDOE's inventory policy will include an established procedure for replacement or reimbursement of any items in the inventory that cannot be located, consistent with federal regulations.</p>	<p>5.D Standard Operating Procedures Internal Audit, Accounting and Property Management continue to meet weekly to further develop and unify policies and procedures relating to financial liability for property that is lost, damaged, destroyed or stolen.</p>	<p>5.D Standard Operating Procedures Amendment being drafted for the Fixed Assets SOP to include procedures for verification on a quarterly basis of fixed asset inventory by school administrators and division heads or their designated fixed asset custodians. Having gone Live with the GDOE Fixed Asset Module on December 12, 2014 facilitates the development of these procedures will continue to be ongoing and refined.</p>
Implementation Deliverables	Completion Risks	
<p>Written lost and stolen item policy which would serve as the basis for any reimbursement. Training programs for principals, assistant principals, and administrative personnel at the school level to increase awareness and ownership of the policies and improve safeguarding of assets.</p>	<p>System Risk – Delayed implementation of the new FMIS and its processes will impact the verification, monitoring and reporting capabilities. Risk level – Low.</p> <p>Adaptation Risk – Speed with which all users adapt to the new system, associated technology and processes will impact efficacy of the new FMIS. Risk level – Low to Medium. Technology being introduced to Receiving Warehouse where users will require training.</p> <p>Manpower issues being addressed. Risk level – Low to medium</p>	
Schedule Based upon Performance Plan	New Deliverables Completed	Responsible Person/Department
<p>December 31, 2015</p>		<p>Marc Pido - Program Coordinator III</p>

Property Management

Required Actions and Activities	Status Report as of 12/31/2015	Next Steps / Comments
<p>PM-3: The inventory policy and management system will ensure that Property Management, Procurement, Finance and Administration, Schools and School Administration act as an integrated team on procurement issues.</p>	<p>5.B – Annual Physical Inventory 5.B.13 – Clearly defined organizational structure, positions of leadership and associated responsibilities. Discussions are ongoing with GDOE management. Target updated to align with results of GDOE Organizational Review; 04/04/16.</p>	<p>5.B – Annual Physical Inventory 5.B.15 – PMO staff will have proper equipment and supplies to effectively and efficiently carry out their responsibilities and duties during the annual inventory audit of USDOE funded fixed assets. 5.B.16 – PMO staff will have proper transportation to effective and efficiently carry out their responsibilities and duties.</p>
Implementation Deliverables	Completion Risks	
<p>Inventory policies adopted by GDOE will reflect coordination and review of established policies from GDOE Property Management and Procurement.</p>	<p>System Risk – Issues with FMIS and its processes will impact the verification, monitoring and reporting capabilities. Risk level – Low.</p> <p>Adaptation Risk – Speed with which all users adapt to the system, associated technology and processes will impact efficacy of the FMIS. Risk level – Low to Medium. Technology being introduced to Receiving Warehouse where users will require training.</p> <p>Manpower issues being addressed. Risk level – Low to medium.</p>	
Schedule Based upon Performance Plan	New Deliverables Completed	Responsible Person/Department
<p>PM-3 Continued. Activity in the “Status Report as of 12/31/15” section reflects transition objectives / milestones that were completed or were in process during this CCAP quarter. Detail and commentary listed in the “Next Steps / Comment section” reflects objective / milestones listed in the Transition Plan that are planned to be worked on and completed in the subsequent CCAP quarter (Jan 1, 2016 thru Mar 31, 2016).</p>	<p>5.B.1 – 5.B.5, Completed. 5.B.7 & 9, Completed.</p>	<p>Marc Pido - Program Coordinator III Lourdes Perez – Comptroller</p>

Property Management

Required Actions and Activities	Status Report as of 12/31/2015	Next Steps / Comments
<p>PM-4: GDOE will ensure that US ED is reimbursed, as appropriate and consistent with federal regulations, when equipment damage results from inappropriate use.</p>	<p>Guidance sought from US ED during their visit in July 2014. The GDOE recommended implementing activities to resolve PM-2 is more appropriate to achieving grant objectives than reimbursing US ED. Awaiting response.</p>	
Implementation Deliverables	Completion Risks	
<p>Additional training to ensure front line leadership (i.e., principals and other administrators) is aware of and responsible for supporting Property Management policies and procedures as well as for the proper level of oversight related to the management of property purchased with federal funds.</p>	<p>Manpower issues being addressed. Risk level – Low</p>	
Schedule Based upon Performance Plan	New Deliverables Completed	Responsible Person/Department
<p>See comments above</p>		<p>Marc Pido - Program Coordinator III</p>

Property Management

Required Actions and Activities	Status Report as of 12/31/2015	Next Steps / Comments
<p>PM-5: Corrective Action pursuant to Finding No. 10-02 contained in the program determination letter (PDL) from the Office of Special Education regarding Audit Control Number 09-10-110764 for the Audit Period October 1, 2009 - September 30, 2010.</p> <p>Finding has been closed; request deletion of PM-5. Components of this section are included in PM-1 through PM-3.</p>	<p>COMPLETED. Finding No. 10-02 has been closed.</p>	
Implementation Deliverables	Completion Risks	
<p>Per Finding No. 10-02:</p> <ul style="list-style-type: none"> • Evidence that GDOE has a uniform definition of "fixed assets" that is utilized consistently across GDOE central office managers and school sites; • Evidence that GDOE has developed enforcement actions that are reasonably designed to enforce established procedures and address noncompliance identified at the school or division level; • Evidence that it has performed the reconciliation of fixed asset data as between the property management and financial management systems; and • Further examples of documents and records used in the property management process, including fixed assets reports generated from the automated fixed assets system, that contain all details required for accurate management of the property, including, but not limited to, acquisition date, acquisition cost, and the source of funds used to acquire the property. 	<p>System Risk – Delayed implementation of the new FMIS and its processes will impact the verification, monitoring and reporting capabilities. Risk level – Low.</p> <p>Adaptation Risk – Speed with which all users adapt to the new system, associated technology and processes will impact efficacy of the new FMIS. Risk level – Low. Technology being introduced to Receiving Warehouse where users will require training.</p> <p>Manpower issues being addressed. Risk level – Low.</p>	
Schedule Based upon Performance Plan	New Deliverables Completed	Responsible Person/Department
<p>See comments above</p>		<p>Marc Pido - Program Coordinator III</p>