

# Ed. Board Finance Chairman responds to GACS's financial mismanagement

By **Rebecca Elmore** - October 19, 2017

"The Department of Education's side is to ensure that whatever dollars are funded that's coming through the department is accounted for. And that's all we're asking." -Ed. Board Finance Chairman, Mark Mendiola.

Guam – Guahan Academy Charter School responded to the recent **risk assessment** launched by the Department of Education's Internal Audit Office by telling the Mayor's Council yesterday that the assessment is simply a ploy.

According to Dededo Mayor Melissa Savares, GACS Consultant Marilyn Manibusan argued that GDOE is only after the charter school's assets.

But the Education Board's Finance Chairman, Mark Mendiola could not disagree more.

"In terms of assets, that was the legislatures' verbiage not the Department of Education. We're just concerned," he explains.

In fact, Mendiola argues that **the board has been trying to distance their finances** from the charter schools so they are not potentially liable for any mismanagement down the road.

"Based on the laws, [the charter school's] budget is tied to the Department of Education's budget. So then who has oversight [of the charter school]? That's why I went to the charter school council and the Education Board brought to them some of the concerns we have because truly, it should be the [charter council] to look after the charter school," he said.

GDOE's Internal Audit Office revealed that **GACS posed a high risk for financial mismanagement**, questionable procurement practices, and exhibited a lack of budgetary restraint.

IAO Chief Auditor Franklin Cooper-Nurse writes: "A mechanism should be in place to improve transparency of GACS's financial activities."

Strong words, but the risk assessment had figures that were difficult to dispute.

For example, the IAO notes GACS exceeded its budget request by \$1.7M and still has around 16 invoices totaling \$428K that have yet to be validated.

"[GACS] had a pre-arranged meeting at the Mayors Council and they had a presentation to meet at the Mayors Council, but they should really meet with the charter school council who is willing to work with them on the charter school process. But I think at the Department of Education's side is to ensure that whatever dollars are funded that's coming through the department is accounted for. And that's all we're asking for," Mendiola said.

This is not the first time the charter school has been under fire for mismanagement. In fact, the Board of Trustees was at the center of criticism from concerned parents when **the school delayed the opening of their high school** campus several weeks beyond the promised start date.

The board is also facing criticism for opening the school without receiving a proper permit from GovGuam agencies and then subsequently housing students beyond their capacity.

The Board of Trustees has remained mum on the controversial issues with the exception of yesterday's audience with the Mayor's Council. In fact, Mendiola tells PNC that Manibusan distributed information to the mayors regarding the GACS student population in their respective villages. Mendiola wondered why that information has yet to be shared with GDOE or the Charter School Council.

The council has taken a more affirmative role as of late, with Council Chairwoman Amanda Blas at the helm. She and members of the council have sought **the opinion of the Attorney General** regarding the board's controversial enrollment issue.

Upon assuming her role as the Council Chairwoman, Blas has held regular work sessions with the Board of Trustees to proffer more guidance and oversight. But when the IAO's risk assessment was made public, the board was not present at the most recent work session.

The Guam Education Board and the Superintendent have vowed to offer their assistance to the charter school, but have publicly announced their desire to separate the two institutions' finances.

Superintendent Jon Fernandez previously noted in a press release to the media: "I support charters, but as we look at the resources being drawn from GDOE and the information gained in validating charter school expenditures, it is important that we strengthen the financial sustainability and accountability of these organizations."

Meanwhile, the next GACS work session is scheduled for October 26 at 9:30am.

---

**Related**

[Education board vows to sever financial ties with charter schools](#)

October 18, 2017  
In "Guam News"

[Internal audit reveals GACS at risk for fiscal mismanagement](#)

October 17, 2017  
In "Featured"

[Gary Gumataotao's position as Ed. Board legal counsel could end soon](#)

March 16, 2017  
In "Guam News"

## Comments

**Rebecca Elmore**