Guam Department of Education

Comprehensive Corrective Action Plan Quarterly Progress Report

For the Period Beginning April 1, 2018 and June 30, 2018

Presented to the U.S. Department of Education in Fulfillment of the Federal Fiscal Year 2017 Special Conditions

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Contents

Reports and Report Format

As stated in the approved Comprehensive Corrective Action Plan (CCAP), the Special Conditions require Guam Department of Education (GDOE) to provide quarterly reports to the United States Department of Education (US-Ed) on GDOE's 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 Third Party Fiduciary Agent (TPFA) revised its requirements requiring bi-weekly time certifications as part of payroll reimbursement procedures. GDOE developed automated time certification documents to support this requirement. The Federal Programs Division proposed revisions to the Standard Operating Procedures (SOP) for Personnel Time Certification inclusive of Time and Effort Certification and Time Distribution Report (TDR). Feedback has been received by stakeholders and procedures are being finalized. The certifications reflect quarterly requirements for Consolidated Grant Projects and entail a four way review which includes the Federal roster, Federal staffing pattern, labor cost, and attendance log. Designated GDOE staff are working alongside the TPFA and meet weekly in order to begin the transfer of TPFA procedures related to payroll review and reimbursement; a work flow and training manual is in draft form and should be finalized shortly.

Required actions and activities related to GDOE Financial Management Information System (FMIS) are completed. Tasks related to optimizing use of the FMIS are ongoing. Preparation for the next MUNIS update is ongoing. Work with the accounting staff to automate monthly reports and clean out inactive accounts are in process.

Guidance from US-Ed Grant Program Office and General Counsel previously clarified that Intergovernmental Agency Agreements are unallowable activities under the Consolidated Grant. No other tasks are required with regard to the Intergovernmental Agency Agreements Section and GDOE is considering these tasks complete.

Internal Controls and Procedures required actions and activities are completed. Unmodified opinions on the FY17 Financial and Single Audit issued June 25, 2018. There were no material weaknesses and $32,260 in questioned costs related to procurement findings. Reviews, needed updates and training on SOPs continue and are regularly scheduled.

Procurement required actions and activities are completed. Procurement continues to generate reports on requisitions and open purchase orders as well as conduct regular meetings with project coordinators and division heads. Monthly reports on requisitions not in work flow has been developed and distributed to end users to ensure timely processing. Vendor evaluations have been included in ongoing procurements...

Most of the Property Management required actions and activities are complete. The School Year (SY) 17-18 Fixed Asset Inventory was completed as scheduled in May; regular updates on progress are shared with management team. The Tiyan Warehouse was open on June 25, 2018. Request for funding for a warehouse supervisor and a contract manager (program coordinator) were included in the FY19 budget request. Recruitment of vacant Property Control Officers (PCO) and Buyer on hold due to hiring freeze.

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 6/30/18	Next Steps / Comments
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. **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. **ETT-3**: Research and implement an automated time collection system for federally funded employees.	**EET-1 & ETT-2 COMPLETED** During the May 7-8 Consolidated Grant Workshop, presentations on the Attendance Log and the quarterly submissions of the Time and Effort reports were made. The TPFA continues to require biweekly certifications for all US-Ed grant funded personnel. Christine Rosario has been working alongside Tony Bobb to perform tube payroll reconciliation process; weekly meetings are scheduled to review any unreconciled items... Regular meetings with the project managers and federal programs have been scheduled to address any concerns. GDOE developed an automated time certification report through MUNIS. Project coordinators are able to print the after the fact time certification reports on demand and choose the project and time period needed. It was recently agreed that employee signatures are not necessary as long as a supervisor with first-hand knowledge of the work performed by the employee signs the certifications. The Employee Job Salary Report is available from the Budget Office to be used by the project personnel to facilitate the establishment of salary and benefit accounts for the new grant cycle. This document can also be used to build the Federal Roster. This report includes Active and In-Active employees. PULSE can also be used to print a list of personnel currently charged to a specific project. Additionally, the bi-weekly labor distribution reports are provided to Federal Programs staff, Program Managers and project leads. Staff has been identified to work alongside the TPFA to be trained in the TPFA 3-way match procedures. Weekly meetings have been	TPFA may eventually consider moving bi-weekly certifications to quarterly certifications if significant improvement continues in obtaining complete and accurate personnel certifications. Christine Rosario working with TPFA to finalize work flow and training manual for the payroll reimbursement process. The Personnel Allocation SOP will be updated to include all federally funded personnel. The Federal Programs Division will finalize updates of time certification procedures for US-Ed grant funded personnel based on feedback from the Superintendent. The Federal Programs Division will be reviewing compliance related to US-Ed grant funded employee time tracking at least quarterly. GDOE will continue discussions with MUNIS to expand automated time keeping.

ETT-1 to ETT-3, Continued	scheduled to resolve any questions or concerns. The team has been working diligently to clear all outstanding unreconciled items.
	Consolidated Grant Staff have been reassigned so that salaries are 100% charged against a single grant.
	The Federal Programs Division has proposed revisions to the Personnel Time Certification and Time Distribution Report SOP to include daily Attendance Logs for GDOE personnel. The revised SOP has been provided to the Superintendent for review and approval.
	Quarterly updates on the Consolidated Grant, which include personnel costs, are provided to the US-Ed program office.
	ETT-3 The GDOE FMIS, MUNIS, contains a payroll module that is used to process both local and federally funded payroll. MUNIS is able to integrate with automatic timekeeping systems.
Implementation Deliverables	**Completion Risks**
Written and approved SOPs, including training for applicable GDOE personnel, to ensure: • 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 2 CFR Part 200 Subpart E; and	Federal program staff balancing competing priorities causing delays in completion. Risk Level – High. Consensus with other Federally Funded grants managers. Risk Level – High.

ETT-1 to ETT-3, Continued

(Implementation Deliverables)

- 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).

Schedule Based upon Performance Plan	New Deliverables Completed This Quarter	Responsible Person/Department
ETT-1 to ETT-3, Continued Activity in the "Status Report as of 6/30/18" 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, 2018 thru September 30, 2018).	• TPFA payroll reconciliation reports • Labor distribution reports • Automated time certification report • Quarterly update to US-Ed	Ignacio Santos, Federal Programs Administrator Taling Taitano, Deputy Superintendent

Financial Management Information System (FMIS)

Required Actions and Activities	Status Report as of 6/30/18	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** General ledger and procurement modules went live in April 2012. Human resource and payroll modules went live in August 2012. Note FY13, FY14, FY15, FY16 and FY17 audits were conducted on the GDOE MUNIS system; the FY12 audit was conducted on MUNIS and CIMS, GDOE's former FMIS.	**COMPLETED** No further steps necessary.
Implementation Deliverables	**Completion Risks**	
Detail system design specifications approved by GDOE Finance and Administration management.		
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 6/30/18	Next Steps / Comments
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.	**COMPLETED** Hardware has been upgraded to accommodate next update. Software for upgrade has been loaded into the test environment. GDOE has a service contract with Tyler MUNIS for software maintenance and updates. GDOE has upgraded from the originally installed software, version 9.3, four times and is currently on version 11.1. If Financial, Student &. Administrative Information. Systems (FSAIS) or FMIS staff are unable to resolve system issues, Tyler MUNIS help desk is contacted. GDOE teams have been to the annual Tyler MUNIS Connect Conference 3 times since the system installation in 2012. The team continues to look for opportunities to use system tools to make work more efficient. **2.L Grant Master** 2.L.6 Build Grant Master (listing complete with current active grants) in Live environment per updated checklist 2.L.8 Train End Users **2.M ESS (Employee Self-Serve) Leave Request** Requested quote from Tyler MUNIS to allow attachments in ESS; continuing to follow up, no response to date Accountants working to clean up inactive accounts and accounts with zero balances so that report writers can work smoothly. This year decided not to attend Tyler Connect as there were no major changes and instead have training webinars.	**2.M ESS (Employee Self-Serve) Leave Request** Follow up on requested quote from Tyler MUNIS to allow attachments in ESS **2.S Transition** 2.S.1 MUNIS system management / updates – TPFA is required to maintain control over TPFA MUNIS system as long as TPFA is mandated FMIS team to meet with Human Resources and Payroll to set up specific goals and objectives for training as well as enhancements to use of the system. Testing for next upgrade to begin this quarter. Anticipate upgrade installation in September. Schedule discussion with Tyler to review existing modules to ensure GDOE optimizing use.

Required Actions and Activities	Status Report as of 6/30/18	Next Steps / Comments
FMIS-2 Continued:		
Implementation Deliverables	**Completion Risk**	
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.	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.	
Schedule Based upon Performance Plan	**New Deliverables Completed This Quarter**	**Responsible Person/Department**
Activity in the "Status Report as of 6/30/18" 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, 2018 thru September 30, 2018).	• Completed hardware upgrades to accommodate next version of Munis. • Loaded software upgrade in test environment	Jacqueline Mesa, Management Analyst IV

Financial Management Information System (FMIS)

Required Actions and Activities	Status Report as of 6/30/18	Next Steps / Comments
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.	Ongoing until condition removed by US-Ed. TPFA continues to manage all US-Ed federal grant funds using an independent MUNIS system and separate bank accounts. During the May 7-8 Consolidated Grant Workshop, the time certification process was included as part of the presentations. **2.S FMIS Transition - Ongoing** **8.A Accounts Payable - Ongoing** **8.B Reporting & Accountability – Ongoing** **8.C. Accounting / GL - Ongoing** GDOE procurement staff continues to use TPFA system for procurement processing and issues open requisition and purchase order reports to end users. GDOE also provides accounts payable support. TPFA has trained budget staff on uploads of US-Ed grant budgets into TPFA system. GDOE Accounting staff issues monthly grant status report. GDOE staff updates GDOE system based on receipt and retirements of fixed assets and provides supporting documentation to TPFA for updates to the TPFA system. Meetings with TPFA as needed are held to coordinate activities and resolve any concerns. TPFA supporting audit by providing details as requested by auditors. Automated time distribution report developed which can print on demand for after the fact validation. GDOE staff performing 3-way match which is then reconciled against TPFA analysis for payroll reimbursement. Draft procedures being reviewed for finalization. Working with TPFA to eliminate delays in reimbursements.	Continued operation of the TPFA independent financial management system and bank accounts will continue. GDOE and TPFA are looking into areas to transfer responsibilities to GDOE. Meeting scheduled with USDOE to discuss this in greater detail. **8.B Reporting & Accountability** **8.B.2 & 8.B.10** Draft liquidation SOP to be included in Federal Grants Module being developed by Federal Programs; completion date targeted for December 2018 Work with TPFA to improve reconciliation process between GDOE and TPFA records. Plan for migration of historical data on TPFA system to GDOE system upon TPFA exit.

	Management letter comment includes concern about the time it takes to reconcile GDOE records to the TPFA records. Suggested that better and timelier coordination with TPFA is in order.

Implementation Deliverables	Completion Risks
FMIS-3, Continued. 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.	

Schedule Based upon Performance Plan	New Deliverables Completed This Quarter	Responsible Person/Department
Activity in the "Status Report as of 6/30/18" 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, 2018 thru September 30, 2018).	Routine - Requisition in Progress Reports – Weekly - Open Purchase Order Reports – Monthly - Grant Status Report – Monthly - Download from GDOE Fixed Assets Module - Payroll reimbursement reconciliation reports	Taling Taitano, Deputy Superintendent

Financial Management Information System (FMIS)

Required Actions and Activities	Status Report as of 6/30/18	Next Steps / Comments
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.	**COMPLETED** End user training occurring at least annually. Review of SOPs and related updates occurring at least every two years. Consolidated Grant workshop in May covered procedures related to Attendance Logs, Quarterly Certifications, and Off-Island Travel. **6.A SOP 200-016: Capital Assets Accounting & Reporting** 6.A.2 Staff Training on SOP 6.A.3 Staff Acknowledgement Forms 6.A.4 Amendment to SOP 6.A.5 Amendment to SOP Approved by Superintendent **6.B SOP 200-017: Month End & Year End Closing Policy** 6.B.2 Staff Training on SOP 6.B.3 Staff Acknowledgement Forms 6.B.4 Amendment to SOP **6.E SOP 200-018: General Ledger Policy & Procedures** 6.E.4 Amendment to SOP 6.E.5 Amendment to SOP Approved by Superintendent **6.G SOP 200-034: Accounts Payable & Cash Disbursement** 6.G.2 Staff Training on SOP 6.G.3 Staff Acknowledgement Forms **6.M SOP 200-018: Sole Source Procurement** 6.M.5 Amendment to SOP Approved by Superintendent **6.N SOP 200-020: Open Purchase Order Monitoring & Reporting** 6.N.5 Amendment to SOP Approved by Superintendent	Continuous MUNIS End User Training Related Activity • 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. **6.B SOP 200-017: Month End & Year End Closing Policy** 6.B.5 Amendment to SOP Approved by Superintendent **6.C SOP 200-021: Off-Island Travel Procedures** 6.C.4 Amendment to SOP 6.C.5 Amendment to SOP Approved by Superintendent **6.D SOP 200-022: Bank Reconciliation Procedures** 6.D.4 Amendment to SOP 6.D.5 Amendment to SOP Approved by Superintendent **6.E SOP 200-018: General Ledger Policy & Procedures** 6.E.2 Staff Training on SOP 6.E.3 Staff Acknowledgement Forms **6.H SOP 200-039: Federal Grants Accounts Receivable** 6.H.2 Staff Training on SOP 6.H.3 Staff Acknowledgement Forms 6.H.4 Amendment to SOP 6.H.5 Amendment to SOP Approved by Superintendent **6.J SOP 200-042: Revenue Control & Management Policy** 6.J.2 Staff Training on SOP

Required Actions and Activities	Status Report as of 6/30/18	Next Steps / Comments
FMIS-4, Continued	**6.P SOP 200-026: Competitive Sealed Bidding - IQBs** 6.P.4 Amendment to SOP 6.P.5 Amendment to SOP Approved by Superintendent **6.Q SOP 200-027: Competitive Sealed Bidding - IFBs** 6.Q.5 Amendment to SOP Approved by Superintendent **6.R SOP 200-030: Emergency Procurement** 6.R.5 Amendment to SOP Approved by Superintendent **6.S SOP 200-031: Competitive Sealed Bidding - RFPs** 6.S.4 Amendment to SOP **6.T SOP 200-033: Competitive Multi-Step Sealed Bidding** 6.T.4 Amendment to SOP **6.AE SOP 900-020: Personnel Allocation / TDR and Reimbursement** 6. AE.4 Amendment to SOP. Proposed revisions under review. Reminders and updates on SOPs are provided to School Administrators during their monthly sessions or at targeted training sessions. School support staff meet monthly to discuss specific SOPs. Note that several SOPs were taken off the transition plan for targeted review. These SOPs continue to be updated and end users are trained on them at least annually. These include: SOP 200-012 School Breakfast and Lunch Cash Collection SOP 200-023 Budget Preparation Process Local Appropriation SOP 200-024 Budget Entry Process SOP 200-029 Local Mileage Reimbursements SOP 200-036 Request for Information Procedures SOP 200-037 Requisition Entry SOP 200-038 Purchase Order Change Order SOP 200-040 Protest / Appeal Procedures SOP 200-041 School Meals Collection	6.J.3 Staff Acknowledgement Forms 6.J.4 Amendment to SOP 6.J.5 Amendment to SOP Approved by Superintendent **6.K SOP 200-015: Fixed Asset Management for Property Management Office & Central Receiving Warehouse** 6.K.4 Amendment to SOP 6.K.5 Amendment to SOP Approved by Superintendent **6.L SOP 200-019: Fixed Asset Management for Schools & Divisions** 6.L.4 Amendment to SOP 6.L.5 Amendment to SOP Approved by Superintendent **6.S SOP 200-031: Competitive Sealed Bidding - RFPs** 6.S.5 Amendment to SOP Approved by Superintendent; edits under review by DS **6.T SOP 200-033: Competitive Multi-Step Sealed Bidding** 6.T.5 Amendment to SOP Approved by Superintendent; edits under review by DS **6.AE SOP 900-020: Personnel Allocation/TDR and Reimbursement** 6.AE.4 Amendment to SOP 6.AE.5 Amendment to SOP Approved by Sup **6.AH SOP 200-044: SEFA Reconciliation** 6.AH.2 Staff Training on SOP 6.AH.3 Staff Acknowledgement Forms 6.AH.4 Amendment to SOP 6.AH.5 Amendment to SOP Approved by Superintendent

Required Actions and Activities	Status Report as of 6/30/18	Next Steps / Comments
FMIS-4, Continued	SOP 800-006 Request to Fill Position(s) for Recruitment SOP 800-007 Employee Name Change Request SOP 800-008 Transfer and Voluntary Demotion SOP 800-009 Reclassification of Teachers SOP 800-010 Salary Increments and Detailed Differential Pay SOP 1500-006 Payroll Processing	
Implementation Deliverables	**Completion Risks**	
Establish End User Training Updated or new SOPs	Continued Training – Low SOP Update – Medium to High	
Schedule Based upon Performance Plan	**New Deliverables Completed This Quarter**	**Responsible Person/Department**
Activity in the "Status Report as of 6/30/18" 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, 2018 thru September 30, 2018).	• **Amendment to SOP Submitted and Approved:** SOP 200-016: Capital Assets Accounting & Reporting SOP 200-028: General Ledger Policy & Procedures • **Amendment to SOP Submitted** SOP 200-017: Month End & Year End Closing Policy SOP 200-031: Competitive Selection Procedures for Services - RFPs SOP 200-033: Competitive Multi-Step Sealed Bidding • **Amendment to SOP Approved** SOP 200-018: Sole Source Procurement SOP 200-020: Open Purchase Order Monitoring & Reporting SOP 200-026: Competitive Sealed Bidding – IQBs SOP 200-027: Competitive Sealed Bidding – IFBs SOP 200-030: Emergency Procurement	Jacqueline Mesa, Management Analyst IV Franklin Cooper-Nurse, Chief Auditor Lourdes Perez, Comptroller – Business Office SOPs Marcus Pido, Program Coordinator III – Property Management SOPs Carmen T. Charfauros, Supply Management Administrator – Procurement SOPs Ignacio Santos, Federal Programs Administrator – Federal Programs SOPs

Required Actions and Activities	Status Report as of 6/30/18	Next Steps / Comments
FMIS-4, Continued	(New Deliverables) • **Staff Training on SOPs & Staff Acknowledgement Forms:** SOP 200-016: Capital Assets Accounting & Reporting SOP 200-017: Month End & Year End Closing Policy SOP 200-034: Accounts Payable & Cash Disbursement	

Intergovernmental Agency Arrangements

Required Actions and Activities	Status Report as of 6/30/18	Next Steps / Comments
Intergovernmental Agency Procedure-1 Guidance from the US-Ed Program Office and General Counsel clarified Intergovernmental Agency agreements are unallowable activities under the Consolidated Grant.	**COMPLETED** Per Federal Programs Administrator, this item should be closed. See May 28, 2016 email from Christine Jackson, *US-Ed Response to GDOE Single Audit Finding Inquiry*	Based on Guidance provided by US-Ed Program Office and General Counsel, the Federal Programs Division shall include within the respective Project Application, specific activities / services and ensure fair and competitive procurement practices are adhered to.
Implementation Deliverables	**Completion Risks**	
Written Guidance provided by US-Ed.	Adaptation Risk – acceptance by which services are identified within the program application and subsequently approved within the Consolidated Grant Application by US-Ed. Risk level – Low.	
Schedule Based upon Performance Plan	**New Deliverables Completed**	**Responsible Person/Department**
To be finalized upon submission of respective Consolidated Grant Application and approved by US-Ed's Program Office.		Ignacio Santos, Federal Programs Administrator

Internal Controls and Procedures

Required Actions and Activities	Status Report as of 6/30/18	Next Steps / Comments
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. Additionally, the financial management system will record and account for all draws and expenditures of federal education funds	**COMPLETED.** FY17 Financial and Single Audit issued June 25, 2018. Unmodified opinions, no material weaknesses, $32,260 in questioned costs FY16 Financial and Single Audit issued May 2, 2017. Unmodified opinions, no material weaknesses, no questioned costs FY15 Financial and Single Audit issued June 6, 2016. Unmodified opinions, no material weaknesses, no questioned costs FY14 Financial and Single Audit issued April 29, 2015. Unmodified opinions, no questioned costs, FY13 Financial and Single Audit issued June 26, 2014. Unmodified opinions, $2,285 in questioned costs, FY12 Financial and Single Audit issued June 29, 2013. Unqualified opinion on financial audit, qualified opinions on CFDA, 15.875, 84.394 and 84.402, no questioned costs (MUNIS system went live during FY12) While the TPFA system is the system of record for US-Ed grants, the GDOE MUNIS contains a duplicate set of books which are audited by GDOE's external auditors. The reconciliation of the Schedule of Expenditures of Federal Awards (SEFA) to the TPFA and GDOE accounts is part of the external audit. TPFA authorizes drawdowns and GDOE staff draws funds based on that authorization. Funds go directly to TPFA through electronic deposit. Payments of invoices related to US-Ed grants are processed by the TPFA with support from a GDOE accounts payable clerk. GDOE processes all other payables. **3.E SEFA Reconciliation** 3.E.6 Business Office provides a copy of the approved report to IAO	See FMIS-4 for updates on FMIS training & SOP tasks and IC-5 for tasks related to SOPs. **3.E SEFA Reconciliation** 3.E.6 Business Office provides a copy of the approved report to IAO Work with TPFA to improve efficiencies related to reconciliation between GDOE & TPFA records. **3.F Timely Completion of GDOE's Financial and Single Audit (FY 2017)** 3.F.4 Timely replies to audit requests 3.F.5 Audit report issued 3.F.6 IAO to ensure implementation of corrective action plans **8.B Reporting & Accountability** 8.B.1 Transition the grant status report from TPFA to GDOE financial affairs division

Required Actions and Activities	Status Report as of 6/30/18	Next Steps / Comments
IC-1, Continued.	**3.F Timely Completion of GDOE's Financial and Single Audit (FY 2017)** 3.F.4 Timely replies to audit requests 3.F.5 Audit report issuance per contract **8.B Reporting & Accountability** 8.B.1 Transition the grant status report from TPFA to GDOE financial affairs division Management letter comment includes concern about the time it takes to reconcile GDOE records to the TPFA records. Suggested that better and timelier coordination with TPFA is in order. See FMIS-4 for updates on FMIS training & SOP tasks and IC-5 for tasks related to SOPs.	

Implementation Deliverables	Completion Risks
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). 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.	Competing priorities may stall progress. Risk: Medium/High

Required Actions and Activities	Status Report as of 6/30/18	Next Steps / Comments
IC-1, Continued.		
Schedule Based upon Performance Plan	**New Deliverables Completed**	**Responsible Person/Department**
Activity in the "Status Report as of 6/30/18" 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, 2018 thru September 30, 2018).	See FMIS-4 for updates on FMIS training & SOP tasks and IC-5 for tasks related to SOPs. • Monthly Grant Status Reports • Monthly SEFA Reconciliations	Taling Taitano, DSFAS Jacqueline Mesa, FMIS

Internal Controls and Procedures

Required Actions and Activities	Status Report as of 6/30/18	Next Steps / Comments
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.	**COMPLETED** Meetings held with project directors, accounting, budget, and human resources to discuss grant requirements for recent GANs. Regular transition plan meetings with TPFA, Federal Programs, Internal Audit, Procurement, Property Management, Financial Affairs, FMIS. Stakeholder satisfaction surveys collected for Human Resources, FSAIS, Procurement and Business Office.	Continue collaboration with schools and divisions to address: • Personnel and payroll issues; • Procurement, receiving, inventory, and payables issues; • Budgeting and reporting issues; • Cash receipts and account receivable issues; and • Non-Appropriated Funds. Benchmarks and stakeholder satisfaction surveys in process of adoption/development for all operational divisions.
Implementation Deliverables	**Completion Risks**	
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.	Maintaining sufficient staffing levels within the Business Office and IAO continues to be a challenge with the retention of personnel due to resignations and competitive salaries at other GovGuam agencies. Hiring Freeze affecting replacement of payables, procurement and property management staff Risk: Medium/High	
Schedule Based upon Performance Plan	**New Deliverables Completed**	**Responsible Person/Department**
Activity in the "Status Report as of 6/30/18" 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, 2018 thru September 30, 2018).	• Stakeholder surveys • Biweekly Transition plan updates	Taling Taitano, DSFAS

Internal Controls and Procedures

Required Actions and Activities	Status Report as of 6/30/18	Next Steps / Comments
IC-3: Reliance on the credible financial management system by other Guam agencies and single auditors as accurate system of record.	**COMPLETED** • Reliance on credible financial management system by other Guam agencies PL 30-164:2, signed into law on July 16, 2010 created the Education Financial Supervisory Commission (EFSC) to monitor the financial health of the GDOE. The Commission consists of the Directors of the Department of Administration (DOA), Bureau of Budget and Management Research (BBMR), and Guam Legislature Office of Finance and Budget (OFB) or their designative representatives, the Public Auditor or her designated representative and a parent of a GDOE student; the GDOE Superintendent and Finance Deputy are ex-officio members. By law, the EFSC meets monthly to review GDOE's financial position. GDOE provides a download of its financial reports from its financial management system, initially CIMS and then MUNIS in 2012, to the EFSC for its review. Copies of the EFSC minutes and financial designations are found on the OFB websites: http://www.senbenp.com/EFSC.html and http://www.ofbguam.org/ • Reliance on credible financial management system by single auditors FY17 Financial and Single Audit issued June 25, 2018. Unmodified opinions, no material weaknesses, $32,260 in questioned costs FY16 Financial and Single Audit issued May 2, 2017. Unmodified opinions, no material weaknesses, no questioned costs FY15 Financial and Single Audit issued June 6, 2016. Unmodified opinions, no material weaknesses, no questioned costs FY14 Financial and Single Audit issued April 29, 2015. Unmodified opinions, no questioned costs, FY13 Financial and Single Audit issued June 26, 2014. Unmodified opinions, $2,285 in questioned costs, FY12 Financial and Single Audit issued June 29, 2013. Unqualified opinion on financial audit, qualified opinions on CFDA, 15.875, 84.394 and 84.402, no questioned costs (MUNIS system went live during FY12) FY17 will be the fifth full fiscal year audit on Tyler MUNIS.	Regularly reconcile GDOE's financial information with BBMR, DOA, and the TPFA to ensure information is accurate and supports the timely completion of audit. Provide EFSC GDOE reports on monthly basis. **3.F Timely Completion of GDOE's Financial and Single Audit (FY2017)** 3.F.6 IAO to ensure implementation of corrective action plans

Required Actions and Activities	Status Report as of 6/30/18	Next Steps / Comments
IC-3, Continued	**3.F Timely Completion of GDOE's Financial and Single Audit (FY 2017)** 3.F.4 Timely replies to audit requests 3.F.5 Audit report issued	
Implementation Deliverables	**Completion Risks**	
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 examination and documentation of internal controls by internal audit staff to ensure that the controls are operating as intended without exception. Information management needs met by all users (e.g., custom reconciliation worksheet to support requirements and tracking of federal draw funds).	Low based on staff's time spent to identify and work out errors and deficiencies using the GASB 34 reporting module. Risk level – Low.	
Schedule Based upon Performance Plan	**New Deliverables Completed**	**Responsible Person/Department**
Activity in the "Status Report as of 6/30/18" 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, 2018 thru September 30, 2018).	• Reports submitted to ESFC • ESFC Meeting Minutes.	Taling Taitano, DSFAS Franklin Cooper-Nurse, Chief Auditor

Internal Controls and Procedures

Required Actions and Activities	Status Report as of 6/30/18	Next Steps / Comments
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.	**COMPLETED** The delayed approvals of the Consolidated Grant had required the judicial use of funds so that programs can continue while GDOE awaits the GAN. Federal Programs working with program managers and project directors to ensure that the Federal Fiscal Year (FFY) 17 Consolidated Grant is timely expended. GAN for FFY17 Consolidated grant issued on October 1, 2017, the earliest that Guam has received in many years. Monthly grant status reports, requisition and purchase order reports, and biweekly labor distribution reports issued to project leads and compliance staff to assist them in tracking grant balances. Follow up emails sent to project directors to remind them of balances available. Budget, Accounting, Payroll and Procurement met with Project Coordinators to ensure that accounts are appropriately set up, budget loaded, and any large procurement planned. Quarterly reports are prepared and provide a status on the various projects. Compliance with grant requirements is tested regularly. Project staff in place to ensure grant objectives met on timely basis. Technical Assistance for Insular Areas scheduled with USDOE in Washington DC in April 2018.	Team is working to ensure FFY17 funds are timely expended. The Federal Programs Division will conduct regular compliance reviews.

Implementation Deliverables	Completion Risks	
IC-4, Continued • 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.	Delay in the issuance of the GAN has delayed hiring and procurement activities. Risk level – Medium. The change from consolidation under Title 5 to RLIS will require some restructuring of programs. Risk level – Medium.	

Schedule Based upon Performance Plan	New Deliverables Completed	Responsible Person/Department
Activity in the "Status Report as of 6/30/18" 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, 2018 thru September 30, 2018).	• Monthly Grant Status Reports • Requisition and Open Purchase Order Reports • Biweekly Labor Distribution Reports • Consolidated Grant Quarterly Report	Ignacio Santos, Federal Programs Administrator

Internal Controls and Procedures

Required Actions and Activities	Status Report as of 6/30/18	Next Steps / Comments
IC-5: GDOE will reconstitute its Internal Audit Office (IAO) by developing an annual audit plan and hiring additional staff to conduct audit work, including the risk assessments (Management Internal Controls [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). 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. 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.	**COMPLETED** The internal audit has gone from three auditors in 2009 to six auditors and an administrative officer in November 2016. Collectively, IAO has over 30 years of direct government audit experience. All 6 audit staff have college degrees and 2 have graduate degrees (M.B.A, M.P.A). Currently, 2 members have relevant professional certifications (CGFM, CICA) and 3 other members are scheduled for certification examination in 2017. Based on audit standards, IAO will review its workflows and assess its resources to execute mandates, risk-based audits, advisories, and internal controls assessment. The new IAO is established with an approved Charter, Audit SOP's (in line with IIA, GAGAS, etc.) and their Auditor Code of Ethics. IAO also created a website, a hotline, and completed its risk assessments. To date, IAO has completed 15 reviews, three investigations, five advisories, and six trainings. Additionally, IAO completed from June 2014 September 2017 validations of Guam Charter Schools as mandated by local law. IAO currently is completing its SOP Reviews of Sole Source Procurement, TDRs, and SEFA. FY17 Financial and Single Audit issued June 25, 2018. Unmodified opinions, no material weaknesses, $32,260 in questioned costs FY16 Financial and Single Audit issued May 2, 2017. Unmodified opinions, no material weaknesses, and no questioned costs. FY15 Financial and Single Audit issued June 6, 2016. Unmodified opinions, no material weaknesses, and no questioned costs. FY14 Financial and Single Audit issued April 29, 2015. Unmodified opinions, and no questioned costs.	The last identified SOP, Grant Procedure Manual, should be completed in 2018. The Procurement, Property, and certain Accounting SOPs will be updated in this quarter. IAO will select new SOPs to review in audit plan. **3.E SEFA Reconciliation** 3.E.7 IAO periodically reviews the report to determine compliance **3.F Timely Completion of GDOE's Financial and Single Audit** 3.F.6 IAO to ensure implementation of corrective audit plans **6.AE.SOP 900-020: Time Distribution Report** 6.AE.8 IAO Testing of SOP 6.AE.9 IAO Reporting of Testing Results SOP is undergoing update and testing on hold until update approved. IAO has established an internal controls framework for assessment of GDOE's internal control deficiencies. IAO's assessment will utilize the Green Book Committee of Sponsoring Organizations of the Treadway Commission (COSO) standards for the five control components. Assessments will be formally reported in all IAO reports. Reports will make recommendations to improve internal control deficiencies. **8.B. Reporting & Accountability** 8.B.8 Management and completion of CCAP report 8.B.9 Weekly management and completion of the transition plan. IAO is working with Human Resources to establish Auditor III positions to allow for upward mobility for existing auditors.

Required Actions and Activities	Status Report as of 6/30/18	Next Steps / Comments
IC-5 Continued.	FY13 Financial and Single Audit issued June 26, 2014. Unmodified opinions, and $2,285 in questioned costs. FY12 Financial and Single Audit issued June 29, 2013. Unqualified opinion on financial audit, qualified opinions on CFDA, 15.875, 84.394 and 84.402, and no questioned costs (MUNIS system went live during FY12). FY11 Financial and Single Audit issued June 27, 2012. Unqualified opinion on financial audit, qualified opinions on Special Education and Head Start clusters, and no questioned costs (Alvarez & Marsal contracted to manage US-Ed grants). FY10 Financial and Single Audit issued April 6, 2011. Unqualified opinion on financial audit, qualified opinions on Special Education Cluster, Consolidated Grant, Recover Act and Consolidated Grant, and no questioned costs. FY09 Financial and Single Audit issued March 31, 2010. Unqualified opinion on financial audit, qualified opinions on CFDA 84.027 and 84.336, and $4,862 in questioned costs. Request for additional auditor in FY19 budget request included in packet for Board approval. **3.B Risk Assessment of GDOE** 3.B.28 Develop draft and submit MIC Assessment Report to Superintendent 3.B.30 IAO validates MIC Assessments of high-risk areas 3.B.31 IAO to determine necessary corrective actions 3.B.32 Finalize report for Superintendent's disposition **3.C Develop a Three Year Audit Plan** 3.C.1 Identify IAO's resources 3.C.2 Analyze available staff hours 3.C.3 Identify the audit universe 3.C.4 Incorporate risk assessments 3.C.5 Review and research IAO's mandates	

Required Actions and Activities	Status Report as of 6/30/18	Next Steps / Comments
IC-5 Continued	3.C.6 Incorporate CCAP, SOP, and NAF duties 3.C.7 Identify audit topics 3.C.8 Develop IAO's audit selection matrix 3.C.9 Use auditor judgement to select audit topics The IAO audit plan is updated annually. IAO will begin its next update in tandem with validating MIC. **3.D Establish Internal Controls Framework (COSO)** 3.D.2 Division/Program obtain approval of SOPs 3.D.3 Division/Program to conduct training on SOPs 3.D.4 IAO to audit compliance to SOPs 3.D.5 IAO to report and recommend improvements to internal control deficiencies 3.D.6 Division/Program to amend SOPs accordingly 3.D.7 Division/Program to obtain approval on amended SOPs 3.D.8 Division/Program to conduct training on amended SOPs **3.E SEFA Reconciliation** 3.E.7 IAO periodically reviews the report to determine compliance **3.F Timely Completion of GDOE's Financial and Single Audit** 3.F.4 Timely replies to audit requests, FY17 3.F.5 Audit report issued per contract **6.AH SOP 200-044: SEFA Reconciliation** 6.AH.9 IAO Reporting of Testing Results **8.B. Reporting & Accountability** 8.B.8 Management and completion of CCAP report 8. B.9 Weekly management & completion of the transition plan.	

Required Actions and Activities	Status Report as of 6/30/18	Next Steps / Comments
IC-5 Continued	IAO prepared GDOE's Transition Plans for submittal to US-Ed and is working with Transition Plan team to complete CCAP for quarter ended June 30. Request for additional auditor in FY19 budget request transmitted for Legislative approval.	
Implementation Deliverables	**Completion Risks**	
Updated MIC Assessment report, NAF draft reports	Success will hinge on successful staffing of the IAO. Salary inequities amongst government entities make it difficult to recruit and retain staff. 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. Risk level – High.	
Schedule Based upon Performance Plan	**New Deliverables Completed**	**Responsible Person/Department**
Activity in the "Status Report as of 6/30/18" 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, 2018 thru September 30, 2018).	• Transition Plan Updates • CCAP Update • FY19 Internal Audit Office Budget Request	Franklin Cooper-Nurse, Chief Auditor

Internal Controls and Procedures

Required Actions and Activities	Status Report as of 6/30/18	Next Steps / Comments
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	**COMPLETED** **3.E SEFA Reconciliation** 3.E.6 Business Office provides a copy of the approved report to IAO Management letter comment includes concern about the time it takes to reconcile GDOE records to the TPFA records. Suggested that better and timelier coordination with TPFA is in order.	**3.E SEFA Reconciliation** 3.E.7 IAO periodically reviews the report to determine compliance **6.AH SOP 200-44 SEFA Reconciliation** 6.AH.2 Staff Training on SOP 6.AH.3 Staff Acknowledgement Forms 6.AH.9 IAO Reporting of Testing Results Last SOP update 12/4/17
Implementation Deliverables	**Completion Risks**	Work with TPFA to improve reconciliation process between GDOE and TPFA records.
Standard Operating Procedures and related training. No repeat findings.	Lack of adequate staff. Risk level – Medium.	
Schedule Based upon Performance Plan	**New Deliverables Completed**	**Responsible Person/Department**
Activity in the "Status Report as of 6/30/18" 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, 2018 thru September 30, 2018).	• SEFA Reconciliation Report	Franklin Cooper-Nurse, Chief Auditor Lourdes Perez, Comptroller

Procurement

Required Actions and Activities	Status Report as of 6/30/18	Next Steps / Comments
P-1: GDOE will develop and implement effective procurement policies and procedures that ensure: • 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	**COMPLETED** SOP 200-015 Fixed Asset Management for Property Management Office & Central Receiving Warehouse, last update 1/10/14 SOP 200-019 Fixed Asset Management for Schools & Divisions, last update 4/1/16 SOP 200-018 Sole Source Procurement, last update 4/13/18 SOP 200-020 Open Purchase Order Monitoring & Reporting, last update 4/13/18 SOP 200-025 Procedures for Maintaining the Procurement File, last update 3/2/18 SOP 200-026 Competitive Sealed Bidding – Indefinite Quantity Bids (IQB), last update 5/31/18 SOP 200-027 Competitive Sealed Bidding – Invitation for Bids (IFB), last update 5/31/18 SOP 200-030 Emergency Procurement, last update 4/13/18 SOP 200-031 Competitive Selection Procedures for Services – Request for Proposals (RFP), last update 11/1/16 SOP 200-033 Competitive Multi-Step Sealed Bidding, last update 11/22/16 SOP 200-036 Request for Information Procedures, last update 11/25/16 SOP 200-037 Requisition Entry, last update 1/11/17 SOP 200-038 Purchase Order Change Order, last update, 2/7/17 SOP 200-040 Protest / Appeal Procedures, last update 1/26/17 Staff training and staff acknowledgement forms for all Procurement & Fixed Asset SOPs (Tasks 2 & 3) occur annually during the last quarter of the calendar year. Purchasing, Accounts Payable and Fixed Asset systems are integrated and end users are able to monitor when orders are made, received, and are paid for through purchase order inquiry. Contract Management module activated to track key contract dates. Procurement calendar developed with end users to track key deadlines. Using contract module to assist in tracking key dates.	If needed, amendments to SOPs (Tasks 4 & 5) to be completed on or before September 30, 2018. **6.K SOP 200-015 Fixed Asset Management for Property Management Office & Central Receiving Warehouse** **6.L SOP 200-019 Fixed Asset Management for Schools & Divisions** **6.S SOP 200-031: Competitive Sealed Bidding - RFPs** **6.T SOP 200-033: Competitive Multi-Step Sealed Bidding** Developing plan to transition requisitions processing from TPFA system to GDOE system. Working to complete correction action plans related to findings in FY17 audit.

Required Actions and Activities	Status Report as of 6/30/18	Next Steps / Comments
P-1, Continued .	Procurement staff work closely with legal on large procurements so deadlines met. SOPs updated to ensure that "required by" and "expiration" dates are provided and receiving warehouse scans and attaches delivery tickets to receiving report.	
Implementation Deliverables	**Completion Risks**	
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).	Recruitment of buyer and third attorney ongoing. Current freeze on hiring. Risk Level – High	
Schedule Based upon Performance Plan	**New Deliverables Completed This Quarter**	**Responsible Person/Department**
Activity in the "Status Report as of 6/30/18" 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, 2018 thru September 30, 2018).	• Updated SOP SOP 200-018: Sole Source Procurement SOP 200-020: Open Purchase Order Monitoring & Reporting SOP 200-026: Competitive Sealed Bidding – IQBs SOP 200-027: Competitive Sealed Bidding – IFBs SOP 200-030: Emergency Procurement	Carmen T. Charfauros, Supply Management Administrator

Procurement

Required Actions and Activities	Status Report as of 6/30/18	Next Steps / Comments
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.	**COMPLETED** GDOE Buyer Supervisors issue to end users (a) Requisitions in Progress Reports weekly and (b) Open Purchase Order Reports monthly from the TPFA (US-Ed funded) and GDOE systems. Tyler MUNIS Purchase Order Inquiry allows end users to track status of purchase, e.g., order date, received date. MUNIS also allows end users to scan packing lists and receiving reports into system and access such reports as needed. Procurement added "Report of Unallocated, Rejected, and Created Requisitions" to list of monthly generated reports to track requisitions not in the workflow and therefore don't appear on the Requisitions in Progress Reports. Procurement calendar developed with end users to track key deadlines. **4.D Reporting & Accountability** 4.D.2 Create a detailed district-wide procurement calendar 4.D.6 Transition the creation of the open requisition and open PO report from TPFA to the GDOE (federal). Working to meet deadlines for formal procurement procedures, e.g., IFBs & RFPs for this fiscal year. For items delivered to the schools and divisions by the warehouse, Receiving Warehouse will scan in delivery tickets for deliveries to school and divisions and attach to receiving reports.	**4.D Reporting & Accountability -** Continue regular issuance of reports to End Users.

Implementation Deliverables	Completion Risks	
P-2, Continued Monthly summary of completed purchases and procurement actions; Established process for routine review of federally funded requisitions and purchase orders.	Recruitment of buyer and third attorney ongoing. Current freeze on hiring. Risk Level – High	
Schedule Based upon Performance Plan	**New Deliverables Completed**	**Responsible Person/Department**
Activity in the "Status Report as of 6/30/18" 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, 2018 thru September 30, 2018).	• Requisition in Progress reports generated weekly • Procurement Calendar, Open Purchase Order, Unallocated, Rejected & Created Requisitions reports generated monthly.	Carmen T. Charfauros - Supply Management Administrator

Procurement

Required Actions and Activities	Status Report as of 6/30/18	Next Steps / Comments
P-3: Improve departmental procurement processes beyond those responsibilities directly related to the modules of the Financial Management Information System (FMIS).	**COMPLETED** GDOE has hired additional staff to ensure requisitions are processed timely. One Buyer Supervisor and two Buyers address US-Ed funded purchases. One Buyer Supervisor and two Buyers handle non-US-Ed funded purchases. One additional buyer is in the process of being recruited and two personnel are shared with Property Management to assist during Procurement's high volume period, i.e., June through November. Meetings held with various grant project directors upon receipt of Grant Award Notice to discuss major procurements included in grant award. Regular meetings held with project directors and division heads to discuss ongoing procurement status. Surveys to end users and vendors available on line and at procurement window. Results reviewed with staff to address concerns. Annual procurement training with end users held in last quarter of calendar year. Procurement is also covered as a topic at the Consolidated Grant annual workshop. Superintendent & Internal Audit (IA) staff attended Guam Community College (GCC) Procurement Training, FAS Deputy Superintendent, attorneys and all but one buyer have completed all 4 training modules. **4.A Procurement Office** 4.A.25 Determine the need for a Contract Management Administrator. Although requested funding for contract manager (program coordinator) was not funded in FY18 Budget appropriation, the FY19 budget request included this position.	Meetings held with various grant project directors upon receipt of Grant Award Notice to discuss major procurements included in grant application. Meetings held regularly with project directors and division heads to discuss ongoing procurement status. Surveys to end users and vendors available on line and at procurement window. Results reviewed with staff to address concerns. GCC has been contacted to determine if additional refresher Procurement Training is being scheduled. Position description for contract manager to be developed.

Implementation Deliverables	Completion Risks	
P-3, Continued Development and publication of procurement policies and procedures, and external verification of compliance with SOPs.	Recruitment of buyer and third attorney ongoing. Current freeze on hiring. Risk Level – High.	
Schedule Based upon Performance Plan	**New Deliverables Completed**	**Responsible Person/Department**
Activity in the "Status Report as of 6/30/18" 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, 2018 thru September 30, 2018).	• Procurement surveys. • Meetings with End Users • Completed GCC Procurement Modules .	Carmen T. Charfauros - Supply Management Administrator

Property Management

Required Actions and Activities	Status Report as of 6/30/18	Next Steps / Comments
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.	**COMPLETED** • SOP 200-015 Fixed Asset Management for Property Management Office & Central Receiving Warehouse, last update 1/10/14 • SOP 200-019 Fixed Asset Management for Schools & Divisions, last update 4/1/16 • Inventory Report, 7/24/17 • No Equipment and Real Property Management Audit Findings in FY14, FY15, FY16 and FY17 Single Audits • Program Coordinator III was placed in charge of Property Management Office and Receiving Warehouse to focus on addressing issues regarding property management. Property Management Office has replaced all staff in place in 2009 and has grown from four staff to nine in 2016. • Ensure Fixed Asset Records include an identifiable funding source. With all *newly received* assets, PMO staff are including an identifiable funding source in the creation of new fixed asset records in MUNIS. The information includes Grant Name, Federal Award Identification (FAIN) Number, and the Catalog of Federal Domestic Assistance (CFDA) Number. SOP 200-037 Requisition Entry, updated 1/11/17 to require this information on requisitions; fixed assets updated through purchase order system will automatically include this information. Staff are similarly updating Existing Fixed Asset records. This process is ongoing. • PMO trained on BMI Software, MUNIS and Excel and End users trained on Fixed Asset SOP prior to physical inventory kick-off; to be conducted annually. **5.A. Tagging of USDOE Funded Assets** 5.A.7 Internal record management. Reconciliation to the TPFA system using excel. Process in place and working. **5.B Annual Physical Inventory** SY17-18 Physical Inventory scheduled for January 8, 2018 to May 21, 2018	**5.B Annual Physical Inventory** SY17-18 Physical Inventory scheduled for January 8, 2018 to May 21, 2018 5.B.6 Manage the current year post-audit evaluation process to emphasize the inventory management accountability of fixed assets and procedures at each school and division. 5.B.8 Generate the current year status reports for dissemination to USDOE and GDOE Upper Management. 5.B.10 GDOE PMO staff will conduct the current year reconciliation of USDOE funded fixed assets. 5.B.12 GDOE PMO will conduct and monitor the progress of the required follow-up actions of each site. 5.B.13 Clearly defined organizational structure, positions of leadership and associated responsibilities. Working with Human Resources to create RPM Manager **5.E – Receiving assets (warehouse & schools)** 5.E.4 – Fill the Warehouse Supervisor position. Position resubmitted in FY19. Working to identify alternate funding. **6.K SOP 200-015: Fixed Asset Management for Property Management Office & Central Receiving Warehouse** 6.K.4 Amendment to SOP 6.K.5 Amendment to SOP Approved by Superintendent **6.L SOP 200-019: Fixed Asset Management for Schools & Divisions** 6.L.4 Amendment to SOP 6.L.5 Amendment to SOP Approved by Superintendent

Required Actions and Activities	Status Report as of 6/30/18	Next Steps / Comments
PM-1, continued	5.B.3 Manage the current year inventory audit project (including team leadership assignments, team selections, logistics, BMI scanner and audit material preparation. SY17-18 physical inventory successfully kicked off on January 8, 2018. 5.B.11 GDOE PMO Staff will conduct the one-on-one evaluations after the completion of each site's inventory audit. 5.B.13 Clearly defined organizational structure, positions of leadership and associated responsibilities. Receiving & Property Management (RPM) has been set up a separate unit in GDOE. 5.B.14 PMO and RW staff have proper GDOE-issued office space to efficiently and effectively carry out their responsibilities and duties. Tiyan Warehouse opened 6/25/18. **5.D Standard Operating Procedures** 5.D.2 PMO will continue to enforce SOP guidelines for all fixed assets regardless of funding. Superintendent is updated regularly as to progress to clear missing assets including meetings with the management team. Follow up with units with high volume of fixed assets are regularly scheduled. **5.E – Receiving assets (warehouse & schools)** 5.E.4 – Fill the Warehouse Supervisor position. Position resubmitted in FY19 budget. Board adopted Budget Resolution submitted to the Legislature on January 31, 2018. Details provided to Legislature February 12, 2018.	
Implementation Deliverables	**Completion Risks**	
Replace all local DOE property tags with type and make identical to those currently in use by TPFA 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.	Recruitment for PCO vacancy due to hiring freeze. Risk level – High. Filling of warehouse supervisor. Risk level - High New warehouse space being occupied. Risk level – Low to Medium	

Required Actions and Activities	Status Report as of 6/30/18	Next Steps / Comments
PM-1, continued		
Schedule Based upon Performance Plan	**New Deliverables Completed**	**Responsible Person/Department**
Activity in the "Status Report as of 6/30/18" 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 (October 1, 2016 thru December 31, 2016).	• SY17-18 Physical Inventory Schedule • Email updates to Management Team	Marc Pido - Program Coordinator III

Property Management

Required Actions and Activities	Status Report as of 6/30/18	Next Steps / Comments
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.	**5.D Standard Operating Procedures** SOP# 200-015 & 200-019 6.K.9 & 6.L.9 IAO Reporting of Testing Results; working with IAO to address deficiencies. Regular status reports on missing assets sent to management team for their action. Property Management performs regular follow-ups with divisions with high volumes of fixed assets. **See PM-4 regarding guidance sought from USDOE.**	**5.D Standard Operating Procedures** 5.D.2 PMO will continuously update SOP. Property Management will collaborate with Accounting, FSAIS, C&II and Federal Programs to further develop and unify policies and procedures relating to determining accountability for property that is lost, damaged, destroyed or stolen. (this item is not on transition plan) Reviewing current documents related to technology to ensure standard across GDOE. Will consider expanding to other assets. Next update of SOPs to include clearer language about investigations and accountability.
Implementation Deliverables	**Completion Risks**	
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.	Recruitment for PCO vacancy due to hiring freeze. Risk level – High. Filling of warehouse supervisor. Risk level - High New warehouse space being occupied. Risk level – Low to High	
Schedule Based upon Performance Plan	**New Deliverables Completed**	**Responsible Person/Department**
Activity in the "Status Report as of 6/30/18" 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, 2018 thru September 30, 2018).	• Status reports on missing assets	Marc Pido - Program Coordinator III

Property Management

Required Actions and Activities	Status Report as of 6/30/18	Next Steps / Comments
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.	**COMPLETED** Tyler MUNIS is an integrated financial management system with general ledger, fixed assets, purchasing, and payables functions. Once Procurement converts a requisition in MUNIS to a Purchase Order, the Property Management Office, along with the vendor and the end user, are notified of the Purchase Order. The Property Management Office begins communications with the end user for distribution instructions for the impending order and with the vendor for the impending delivery. Schools/divisions are notified of the impending PO delivery. Once the order is received by the Receiving Warehouse, tagged and recorded in MUNIS by the Property Management Office, the assets are delivered in a prompt fashion. IT equipment are delivered same day as received by Receiving Warehouse. All other equipment are delivered to the end user within three (3) business days. Once delivery to end user is made, receiving report is produced in MUNIS which completes Three Way Match in order for Accounts Payable to process the payment for the vendor invoice. An accountant has been hired to be responsible for reconciling the capital fixed assets recorded in the general ledger with the fixed asset inventory system. The Property Control Officers work with Fixed Asset Liaisons in schools and divisions on the annual inventory to include resolution of any missing assets. Regular follow-ups are made with schools and divisions with high volume of fixed assets. Copies of purchase orders for fixed assets are emailed to vendor, end user, appropriate federal grants project personnel, warehouse, and property. On-island vendors are required to contact warehouse 48 hours in advance and deliver before 11am. Federal grants project personnel are requested to provide distribution lists in advance of projected delivery dates.	**5.B Annual Physical Inventory** SY17-18 Physical Inventory scheduled for January 8, 2018 to May 21, 2018 5.B.6 Manage the current year post-audit evaluation process to emphasize the inventory management accountability of fixed assets and procedures at each school and division. 5.B.8 Generate the current year status reports for dissemination to USDOE and GDOE Upper Management. 5.B.10 GDOE PMO staff will conduct the current year reconciliation of USDOE funded fixed assets. 5.B.12 GDOE PMO will conduct and monitor the progress of the required follow-up actions of each site. 5.B.13 Clearly defined organizational structure, positions of leadership and associated responsibilities. Working with Human Resources to create RPM Manager Property management recruitment efforts in place to fill Property Control Officer vacancy of Morina Naputi.

Required Actions and Activities	Status Report as of 6/30/18	Next Steps / Comments
PM-3, Continued	Global access provided to school fixed asset liaisons and federal grant project personnel to fixed asset records to see all fixed assets assigned to school and all fixed assets purchased by project. This facilitates communication and reconciliation. As inventory completed at school or division, PMOs communicate with fixed asset accountant on status of capital assets to ensure proper update of accounting records. **5.B – Annual Physical Inventory** 5.B.3 Manage the current SY17-18 inventory audit project (including team leadership assignments, team selections, logistics, BMI scanner and audit material preparation). Inventory ongoing with GDOE staff taking lead. Successful kick-off on January 8, 2018. 5.B.13 Clearly defined organizational structure, positions of leadership and associated responsibilities. FY19 Budget transmitted to Legislature in January and February 5.B.14 PMO and RW staff have proper GDOE-issued office space to efficiently and effectively carry out their responsibilities and duties. Move to Tiyan was completed on 6/25/18...	
Implementation Deliverables	**Completion Risks**	
Inventory policies adopted by GDOE will reflect coordination and review of established policies from GDOE Property Management and Procurement.	Recruitment for PCO vacancy due to hiring freeze. Risk level – High. Filling of warehouse supervisor. Risk level - High	
Schedule Based upon Performance Plan	**New Deliverables Completed**	**Responsible Person/Department**
Activity in the "Status Report as of 6/30/18" 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, 2018 thru September 30, 2018).	• Emails from buyers transmitting purchase orders for fixed assets • Email updates on status of physical inventory	Marc Pido - Program Coordinator III Lourdes Perez – Comptroller

Property Management

Required Actions and Activities	Status Report as of 6/30/18	Next Steps / Comments
PM-4: GDOE will ensure that US ED is reimbursed, as appropriate and consistent with federal regulations, when equipment damage results from inappropriate use.	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.	
Implementation Deliverables	**Completion Risks**	
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.	Awaiting guidance from US-Ed	
Schedule Based upon Performance Plan	**New Deliverables Completed**	**Responsible Person/Department**
See comments above		Marc Pido - Program Coordinator III

Property Management

Required Actions and Activities	Status Report as of 6/30/18	Next Steps / Comments
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. Finding has been closed; request deletion of PM-5. Components of this section are included in PM-1 through PM-3.	**COMPLETED.** Finding No. 10-02 has been closed.	**COMPLETED.** No further steps.
Implementation Deliverables	**Completion Risks**	
Per Finding No. 10-02: • 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	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. Technology being introduced to Receiving Warehouse where users will require training. Manpower issues being addressed. Risk level – Low.	
Schedule Based upon Performance Plan	**New Deliverables Completed**	**Responsible Person/Department**
See comments above		Marc Pido - Program Coordinator III