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Superintendent of Education

**DEPARTMENT OF EDUCATION
INTERNAL AUDIT OFFICE**

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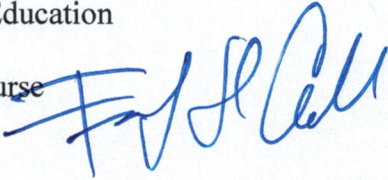


**FRANKLIN
COOPER-NURSE**
Chief Auditor

March 10, 2015

MEMORANDUM

To: Jon P. Fernandez
Superintendent of Education

From: Franklin Cooper-Nurse
Chief Auditor 

Subject: February Review of Guahan Academy Charter School's Invoices

Hafa Adai,

The Internal Audit Office has completed its review of Guahan Academy's invoices for the month of February. Please see the attached report for IAO's complete review and results.

If you have any questions or concerns, please feel free to contact Anissa Acfalle at 300-1532 acacalle@gdoe.net or myself at 300-1336 fjtcooper-nurse@gdoe.net.

Cc: Deputy Superintendent of
Assessment and Accountability
Deputy Superintendent of Finance
and Administrative Services

Guam Department of Education

Internal Audit Office

Audit Review – Guahan Academy Charter School Invoice Validation

For the period of February 2015

Purpose: To Validate Guahan Academy Charter School’s Invoices for the Month of February, 2015.

Source: Doris Bainco, Finance Officer of Guahan Academy Charter School

Prepared by: Franklin Cooper-Nurse, Chief Auditor for Guam Department of Education

Anissa Acfalle, Audit Staff for Guam Department of Education

Results: As required by Section 6.3 of the Guam Academy Charter School’s (GACS’s) Invoice Validation Standard Operating Procedures, Internal Audit Office (IAO’s) review focused on validation of February expenditures. GACS’s budget request and DOA’s approval of funding is utilized to establish allotment per object class category. The results are as follows;

As per letter dated February 26, 2015, GACS submitted the fifth drawdown of funds for February, 2015. GACS budget request and DOA’s approval of funding for each object class category totaled \$364,500.00 for the month of February.

	A	B	C	(A-B) D	(A-C) E
	Allotment Request	Supported Invoices	IAO Validation	Variance	Remaing Funds
1 Personnel Salaries	225,000.00	274,576.81	225,000.00	(49,576.81)	-
2 Benefits	25,517.00	18,318.16	18,318.16	7,198.84	7,198.84
3 Contractual	86,047.00	2.25	2.25	86,044.75	86,044.75
4 Supplies & materials	15,136.00	-	-	15,136.00	15,136.00
5 Power	9,000.00	-	-	9,000.00	9,000.00
6 Water	800.00	964.53	800.00	(164.53)	-
7 Telephone & Wireless	3,000.00	-	-	3,000.00	3,000.00
Total	\$364,500.00	\$293,861.75	\$244,120.41	70,638.25	120,379.59

On March 3, 2015, DOA submitted approval of the GACS budget request to GDOE Office of the Superintendent. IAO was in receipt of the budget request on March 10, 2015 (See attachment 1 and 2). Invoices were provided to IAO on March 6, 2015. Based on IAO’s review, a total of \$293,861.75 was supported by invoices. However, the IAO could only validate the amount of

\$244,120.41 for the month of February, 2015 to not exceed GACS's budget request and approved funding for each object class category. IAO identified a total variance of \$70,638.25 primarily due to personnel salaries and water expenditures exceeding budget request and approved funding by \$49K. Therefore, the variance of \$49,741.34 from personnel salaries and water will be carried over and applied to GACS's March, 2015 validation.

IAO identified remaining funds totaling \$120,379.59 as result of GACS requesting amounts for the following object class categories but not providing supporting invoices; contractual, supplies & materials, power, and telephone & wireless. GACS will need to submit supporting invoices for reimbursement for remaining funds identified.

GUAHAN ACADEMY CHARTER SCHOOL

FUNCTION: Guahan Academy Charter School
February 26, 2015 Monthly Budget Request
INVOICE: GACS FY 2015-02-2015

AUTHORITY: Bill No. 419-32 (COR)
AN ACT TO AMEND SECTION 2 OF PART I, CHAPTER II OF PUBLIC LAW 32-181,
RELATIVE TO AUTHORIZING FUNDING FOR CHARTER SCHOOLS.

**Section 1. Section 2 of Part I, Chapter II of Public Law 32-181,
is hereby amended to read:**

"Section 2. Notwithstanding any provision of law, for the School Year 2014-2015, pursuant to Title 17 GCA, Chapter 12, § 12116 (e), the Department of Administration (DOA) is hereby authorized and directed to deduct Five Thousand Five Hundred Dollars (\$5, 500) per enrollee of Academy Charter Schools chartered by the Guam Academy Charter Schools Council, not to exceed six 600 students for the Guahan Academy Charter School chartered by the Guam Academy Charter Schools Council during School Year 2014-2015, if any, as recommended by the Guam Academy Charter Schools Council, from the total General Fund appropriation in Section 1 of this Part of this Chapter to the GDOE, based on the actual enrollment at the time, multiplied by the per pupil cost, as established in this Section. Each Academy Charter School shall submit a monthly invoice to the DOA. Upon receipt of said invoice, the DOA shall remit it to the GDOE. Upon receipt of the remitted invoice, the GDOE shall verify the invoice for accuracy and report its findings within ten (10) days of receipt of said invoice to the DOA prior to the release of funds. If the GDOE fails to report its findings, the invoiced amount received by the DOA shall be automatically transmitted to each Academy Charter School."

TOTAL FUNDING AVAILABLE: \$5, 500 X 600 Students = \$3,300,000.00

CLASSIFICATION	ACCOUNT CODE	TOTAL REQUESTED
Personnel	111	\$225,000.00
Benefits	112	25,517.00
Contractual	230	86,047.00
Supplies & Materials	240	15,136.00
Power	361	9,000.00
Water	362	800.00
Telephone & Wireless Services	363	3,000.00
FEBRUARY INVOICE TOTAL:		\$364,500.00



GOVERNMENT OF GUAM
DEPARTMENT OF ADMINISTRATION
FINANCIAL MANAGEMENT SYSTEM

**REQUEST FOR
DIRECT PAYMENT**

DOCUMENT NO.: _____

URGENT - EXPEDITE PAYMENT

KEY & RELEASE - A S A P

PAYEE: Guahan Academy Charter School 643 Chalan San Antonio Ste # 102 Tamuning, Guam 96913	VENDOR NUMBER: G0016588
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PURPOSE:

February 2015 Allotment release

TRAN CODE	ACCOUNT NUMBER	AMOUNT	Invoices
190	5639A149964GA201-290	\$364,500.00	February 2015 Allotment
TOTAL		\$364,500.00	

CHECK APPROPRIATE BOX BELOW:

- | | | |
|--|---|---|
| <input checked="" type="checkbox"/> ACCOUNT NUMBER IS CORRECT | <input checked="" type="checkbox"/> JOB ORDER NUMBER IS CORRECT | <input type="checkbox"/> INSUFFICIENT FUNDS |
| <input checked="" type="checkbox"/> PRIOR REFERENCE IS CORRECT | <input checked="" type="checkbox"/> VENDOR NUMBER IS CORRECT | |
| <input type="checkbox"/> OVERRIDE IS AUTHORIZED | <input type="checkbox"/> SUFFICIENT FUNDS | |

- I CERTIFY THAT GOODS/SERVICES SPECIFIED HAVE BEEN RECEIVED AND THAT PAYMENT IS PROPER AS PER THE ATTACHED DOCUMENTS.
- I CERTIFY THAT A VALID LIABILITY EXIST BY REASON OF WITHHOLDING, OVERPAYMENT AND THAT PAYMENT IS PROPER AS PER THE ATTACHED DOCUMENTS.

PREPARED BY:

DORIS BAINCO - FINANCE OFFICER

Signature

FEB. 26, 2015
Date

APPROVING OFFICIAL:

**VICTOR A. PEREZ - CHAIRMAN
FINANCE & PROCUREMENT COMMITTEE**

Signature

FEB. 26, 2015
Date

CERTIFICATION OF FUNDS AVAILABLE:

**VICTOR A. PEREZ - CHAIRMAN
FINANCE & PROCUREMENT COMMITTEE**

Signature

FEB. 26, 2015
Date