



JON J. P. FERNANDEZ
Superintendent of Education

**DEPARTMENT OF EDUCATION
INTERNAL AUDIT OFFICE**

500 Mariner Avenue, Barrigada, Guam 96913

Telephone: (671) 475-0510

Fax: (671) 472-5001

Email: iao@gdoe.net

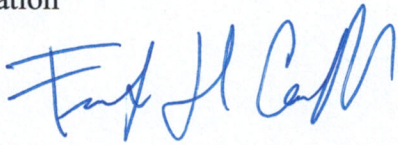


**FRANKLIN
COOPER-NURSE**
Chief Internal Auditor

March 12, 2015

MEMORANDUM

To: Jon P. Fernandez
Superintendent of Education

From: Franklin Cooper-Nurse
Chief Auditor 

Subject: March Review of iLearn Academy Charter School's Invoices

Hafa Adai,

The Internal Audit Office has completed its review of iLearn Academy Charter School's invoices for the month of March. 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 acacfalle@gdoe.net or myself at 300-1336 fitcooper-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 – iLearn Academy Charter School Invoice Validation
For the period of December 2014 through March 2015

Purpose: To validate iLearn Academy Charter School’s invoices for the period of December 2014 to March 2015.

Source: Helen Nishihira, Principal for iLearn Academy Charter School
Nina Doromal, Business Manager for iLearn 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: Pursuant to Public Law (P.L.) 32-219, upon receipt of invoices, Guam Department of Education (GDOE) shall verify invoices for accuracy and report its findings to the Department of Administration (DOA) within ten (10) business days. On January 2, 2015, DOA provided iLearn Academy Charter School with a two month (December 2014 and January 2015) allotment advance totaling \$336,316.00. On February 20, 2015, the GDOE Internal Audit Office (IAO) validated \$258,414.47 of iLearn’s invoices. The \$77,901.53 difference between iLearn’s allotment advance and iLearn’s validated invoices is the amount of iLearn’s remaining seed funds.

On February 19, 2015, DOA submitted iLearn’s approved allotment request totaling \$62,333.33 to GDOE. No invoices were provided for February 2015. Therefore, IAO did not proceed to validate any expenses during that time.

On February 24, 2015, iLearn submitted supplemental invoices totaling \$114,545.60 to GDOE. iLearn requested for the invoices to be used to exhaust its December and January allotment advance. IAO validated the \$114,545.00 of invoices submitted. The difference between iLearn’s remaining allotment advance of \$77,901.53 and iLearn’s validated invoices is the amount of reimbursement to be provided to iLearn. The IAO recommends for iLearn to request reimbursement of the available \$36,644.07 in its next allotment request to DOA. Refer to Table 1 for details.

Table 1: Exhaustion of iLearn's Seed Money

			(A+B)		(C+D)
	A	B	C	D	E
Dec 2014 /Jan 2015	iLearn's Request	Supported 1st Validation	Remaining Funds	Supplemental Invoices (Feb. 25, 2015)	Available for Reimbursement
1 Personnel Salaries	\$ 39,589.00	\$ (34,431.38)	\$ 5,157.62	\$ (28,645.03)	\$ (23,487.41)
2 Benefits	\$ 2,396.00	\$ -	\$ 2,396.00	\$ -	\$ 2,396.00
3 Contractual	\$ 1,000.00	\$ -	\$ 1,000.00	\$ -	\$ 1,000.00
4 A+ Contract	\$146,421.00	\$(166,430.00)	\$ (20,009.00)	\$ (83,215.00)	\$ (103,224.00)
5 Supplies & Materials	\$ 30,430.00	\$ (3,054.88)	\$ 27,375.12	\$ -	\$ 27,375.12
6 Miscellaneous	\$102,480.00	\$ (54,498.21)	\$ 47,981.79	\$ (1,735.57)	\$ 46,246.22
7 Power	\$ 14,000.00	\$ -	\$ 14,000.00	\$ -	\$ 14,000.00
8 Extended Learning	\$ -	\$ -	\$ -	\$ (950.00)	\$ (950.00)
TOTAL	\$336,316.00	\$(258,414.47)	\$ 77,901.53	\$(114,545.60)	\$ (36,644.07)

On March 3, 2015, iLearn submitted invoices totaling \$98,547.52 to GDOE. On March 4, 2015, DOA submitted iLearn's approved allotment request totaling \$63,250.00 to GDOE. The IAO cannot validate invoices of object class categories that were not approved by DOA. Therefore, the IAO only validates the invoices for the A+ Contract of \$83,215.00 and Extended Learning of \$1,000.00. The IAO recommends for iLearn to request reimbursement of the \$35,297.52 variance in its next allotment request to DOA. Refer to Table 2 for details.

Table 2: March 2015 Invoice Validation

			(A+B)
	A	B	C
March 2015	iLearn's Request	Invoices Submitted	Variance
1 Personnel Salaries	\$ -	\$ (14,332.52)	\$ (14,332.52)
2 Benefits	\$ -	\$ -	\$ -
3 Contractual	\$ -	\$ -	\$ -
4 A+ Contract (Partial)	\$ 62,250.00	\$ (83,215.00)	\$ (20,965.00)
5 Supplies & Materials	\$ -	\$ -	\$ -
6 Miscellaneous	\$ -	\$ -	\$ -
7 Power	\$ -	\$ -	\$ -
8 Extended Learning	\$ 1,000.00	\$ (1,000.00)	\$ -
TOTAL	\$ 63,250.00	\$ (98,547.52)	\$ (35,297.52)

IAO's Validation of Funds: iLearn exhausted its seed money of \$336,316.00. For March 2015, IAO validated invoices totaling \$84,215.00. **IAO recommends for the release of \$84,215.00.** iLearn's total expenditures for additional reimbursement is \$71,941.59 consisting of its supplemental invoices \$36,644.07 submitted in February 2015 and \$35,297.52 submitted in March 2015.