



**JON J.P. FERNANDEZ**  
Superintendent of Education

**DEPARTMENT OF  
EDUCATION  
INTERNAL AUDIT OFFICE**

500 Mariner Avenue, Barrigada, Guam 96913  
Telephone: (671) 300-1336  
Fax: (671) 472-5001  
Email: iao@gdoe.net




**FRANKLIN  
COOPER-NURSE**  
Chief Internal Auditor

April 30, 2018

**MEMORANDUM**

**TO:** Jon J.P. Fernandez, Superintendent of Education

**CC:** Taling M. Taitano, Deputy Superintendent of Finance and Administrative Services

**FROM:**  Franklin J.T. Cooper-Nurse, Chief Auditor, Internal Audit Office

**SUBJECT:** April 2018 Review of Guahan Academy Charter School Inc.'s Invoices

Hafa Adai,

The Guam Department of Education (GDOE) Internal Audit Office (IAO) has completed its review of Guahan Academy Charter School (GACS)'s No. 3 allotment request for April 2018. GDOE (IAO) is authorized by Public Law (PL) 34-42 to verify charter school invoices for accuracy and report its findings within 10 days.

On April 24, 2018, IAO received the Department of Administration's transmittal for GACS's April 2018 No. 3 Allotment Request of \$104,800.00. The purpose of the allotment request was to request for one pay period of payroll in advance. GDOE does not have the authority to provide an advancement of government funds, therefore, the IAO is unable to validate the submitted invoice.

**Table 1: April 2018 Allotment Request Invoices (No. 3)**

Object Class	A	B	C	(B-C) = D
	GACS Drawdown	Submitted Invoices	IAO's Validation	Difference
1 Personnel Salaries	\$ 104,800.00	\$ 104,800.00	\$ -	\$ 104,800.00
2 Benefits	\$ -	\$ -	\$ -	\$ -
3 Contractual	\$ -	\$ -	\$ -	\$ -
4 Supplies & Materials	\$ -	\$ -	\$ -	\$ -
5 Student Material	\$ -	\$ -	\$ -	\$ -
6 Power	\$ -	\$ -	\$ -	\$ -
7 Water	\$ -	\$ -	\$ -	\$ -
8 Telephone & Wireless	\$ -	\$ -	\$ -	\$ -
9 Miscellaneous	\$ -	\$ -	\$ -	\$ -
<b>TOTAL</b>	<b>\$ 104,800.00</b>	<b>\$ 104,800.00</b>	<b>\$ -</b>	<b>\$ 104,800.00</b>

PL 34-42 provides \$6,500 for each student up to 740 students or a total of \$4,810,000. However, due to revenue shortfalls from tax cuts, GACS's Fiscal Year (FY) 2018 appropriations were

April 30, 2018

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reduced by \$416,719<sup>1</sup> for a revised appropriation of \$4,393,281. For FY 2018, IAO validated \$2,481,437.13 of expenditures, leaving a balance of \$1,911,843.87 of unexpended funds. As of April 18, 2018, 894 students were enrolled in GACS. See Tables 2 and 3.

**Table 2: FY 2018 Validation Summary**

Month	A	B	C	(B-C) = D
	GACS Drawdown	Submitted Invoices	IAO's Validation	Difference
Oct 2017 (Partial)	\$ 223,949.48	\$ 223,949.48	\$ 223,949.48	\$ -
Oct 2017 (Partial #2)	\$ 181,025.77	\$ 181,025.77	\$ 116,189.14	\$ 64,836.63
Nov 2017 (Partial)	\$ 109,713.81	\$ 109,713.78	\$ 109,713.78	\$ -
Nov 2017 (Partial #2)	\$ 110,662.47	\$ 110,662.47	\$ 110,662.47	\$ -
Dec 2017 (Partial)	\$ 125,065.99	\$ 125,065.99	\$ 125,065.99	\$ -
Dec 2017 (Partial #2)	\$ 113,142.58	\$ 113,142.58	\$ 105,782.74	\$ 7,359.84
Dec 2017 (Partial #3)	\$ 468,515.60	\$ 468,515.60	\$ -	\$ 468,515.60
Dec 2017 (Partial #4)	\$ 179,258.25	\$ 179,258.25	\$ 179,258.25	\$ -
Jan 2018 (Partial #1)	\$ 146,654.61	\$ 146,654.61	\$ 122,064.36	\$ 24,590.25
Dec 2017 (Final)	\$ 182,255.86	\$ 182,255.56	\$ 178,264.76	\$ 3,990.80
Jan 2018 (Partial #2)	\$ 350,000.00	\$ 350,000.00	\$ -	\$ 350,000.00
Jan 2018 (Partial #3)	\$ 107,998.48	\$ 107,998.48	\$ 107,998.48	\$ -
Jan 2018 (Partial #4)	\$ 206,542.11	\$ 206,288.83	\$ 206,079.23	\$ 209.60
Feb 2018 (Partial #1)	\$ 124,744.17	\$ 124,744.17	\$ 124,744.17	\$ -
Feb 2018 (Partial #2)	\$ 243,880.82	\$ 243,880.82	\$ 243,880.82	\$ -
Mar 2018 (Partial #1)	\$ 188,314.19	\$ 188,314.19	\$ 180,914.19	\$ 7,400.00
Mar 2018 (Partial #2)	\$ 142,191.57	\$ 142,191.57	\$ 142,191.57	\$ -
Mar 2018 (Special #2)	\$ 170,484.19	\$ 170,484.19	\$ -	\$ 170,484.19
April 2018 (Partial #1)	\$ 204,677.70	\$ 204,677.70	\$ 204,677.70	\$ -
April 2018 (No. 3)	\$ 104,800.00	\$ 104,800.00	\$ -	\$ 104,800.00
<b>Total (FY 2018)</b>	<b>\$ 3,579,077.65</b>	<b>\$ 3,578,824.04</b>	<b>\$ 2,481,437.13</b>	<b>\$ 1,202,186.91</b>

		GACS Max. Budget	\$ 4,810,000.00
Funding Per Student	\$ 6,500	Less: Appropriations reduction	(416,719.00)
Maximum Enrollment	740	Revised Budget	\$ 4,393,281.00
GACS Maximum Budget	\$ 4,810,000	Less: IAO's Validations	(2,481,437.13)
		Remaining Funds	\$ 1,911,843.87

**Table 3: FY 2018 GACS Enrollment**

Months	Grade Level														Total
	1	2	3	4	5	6	7	8	9	10	11	12	K	PK	
Oct-17	82	97	99	94	77	91	87	56	42	33	31	34	69	65	957
Nov-17	81	96	97	94	75	91	85	56	42	33	30	34	67	65	946
Dec-17	81	96	96	93	75	90	84	55	41	31	30	35	67	64	938
Jan-18	77	95	95	92	74	89	84	54	41	31	29	31	67	64	923
Feb-18	76	93	93	90	72	88	81	52	41	30	28	32	66	64	906
Mar-18	76	92	93	88	72	87	79	52	41	30	28	32	62	63	895
Apr-18	76	92	92	88	72	87	79	52	41	30	28	32	62	63	894
<b>Average</b>	<b>78</b>	<b>94</b>	<b>95</b>	<b>91</b>	<b>74</b>	<b>89</b>	<b>83</b>	<b>54</b>	<b>41</b>	<b>31</b>	<b>29</b>	<b>33</b>	<b>66</b>	<b>64</b>	<b>923</b>

Should you have any questions or concerns, please contact Leana Willess at 300-3697 or [lmwilless@gdoe.net](mailto:lmwilless@gdoe.net), and Franklin Cooper-Nurse at 300-1336 or [fjtcooper-nurse@gdoe.net](mailto:fjtcooper-nurse@gdoe.net).

<sup>1</sup> Bureau of Budget and Management Research (2018, January 24). *FY 2018 general fund appropriation reductions-tax cuts and jobs act of 2017*

**Appendix 1: GACS April 2018 (No. 3) Allotment Request Invoices**

Object Code and Class	Reference	Vendor	Invoice #	Invoice Date	Invoice Amount	Validated	Validated Amount
111 Personnel Salaries	T-2.1	Guathan Academy Charter School			\$ 104,800.00		\$ -
						Subtotal	\$ -
						Total	\$ -



**Eddie Baza Calvo**  
Governor  
**Ray Tenorio**  
Lieutenant Governor

**Department of Administration**  
(DIPATTAMENTON ATEMENSTRASION)  
**DIRECTOR'S OFFICE**  
(UFISINAN DIREKTOT)

Post Office Box 884 Hagaiña, Guam 96932  
Tel: (671) 475-1101/1250 Fax: (671) 477-6788



**Edward Birn**  
Acting Director  
**Vincent P. Arriola**  
Deputy Director

April 20, 2018

Mr. Jon J.P. Fernandez  
Superintendent  
*Guam Department of Education*  
500 Mariner Avenue  
Barrigada, Guam 96913-1608

Department of Education	
Office of the Superintendent	
Date: 4/24/18	Time: 8:25 a
Rec'd By: [Signature]	8042404
Print Name	Signature

**RE: Guahan Academy Charter School – April 2018 Payroll Advance Allotment Request (Special No#3)**

*Buenas yan Hafa Adai:*

Pursuant to Public Law 33-42, Chapter II, Part I, we are submitting Guahan Academy Charter School's special allotment request for payroll advance for the month of April for Fiscal Year 2018. Herewith are the supporting documents provided by Guahan Academy Charter School for your review and immediate action.

Should you have any further questions or concerns, please contact, Mary Grace Edrosa at 475-1283

*Si Yu'os Maase!*

*Sensaramente,*

[Signature]  
Edward Birn  
Acting Director

4/24/18  
Fwd to IA per Supt.  
[Signature]



**GUAHAN ACADEMY CHARTER SCHOOL**

**PROCUREMENT/ALLOTMENT MEMORANDUM**

**GACS NO. 4-2018-003**

**RE: PAYROLL ADVANCE ALLOTMENT REQUEST  
FOR ONE PAY PERIOD**

**Date:** April 18, 2018  
**To:** Mr. Franklin Cooper-Nurse, Chief Auditor  
Internal Audit Office, Guam Department of Education  
**Re:** No. 3 – Payroll Advance Allotment Request for One Pay Period  
**Via:** Ms. Bernadette Lacap, Accountant *[Signature]*  
**Fr:** Victor A. Perez, Chairman of Finance & Procurement Committee  
Board of Trustees, Guahan Academy Charter School *[Signature]*

Dear Mr. Franklin-Cooper Nurse:

Guahan Academy Charter School presents our Special Allotment Request 4-2018-003 for Payroll Advance for One Pay Period in the amount of \$104,800.00.

The Board of Trustees has experienced delays in meeting our payroll responsibility to our hard-working employees at Guahan Academy Charter School too frequently. To address this issue, the Board deliberated on a resolution to this matter. It is the Board's desire to seek an advance of their payroll for one pay period to avoid any possible delay and to ensure that our employees are paid on time.

Attached is GACS' spreadsheet evidencing the amount being requested of \$104,800.00. We have attached the customary companion allotment request documents. However, if you should require any additional information or need further documentation, please feel free to contact Ms. Bernadette Lacap. Your understanding and support is much appreciated.

Thank you.

*[Signature]*  
Administrative Services  
APR 20 2018  
Customer Service



**GOVERNMENT OF GUAM**  
DEPARTMENT OF ADMINISTRATION  
FINANCIAL MANAGEMENT SYSTEM

**REQUEST FOR DIRECT  
PAYMENT**

DOCUMENT NO.: \_\_\_\_\_

URGENT - EXPEDITE PAYMENT     KEY & RELEASE - A S A P

<b>PAYEE:</b> Guahan Academy Charter School P.O. Box CS Hagatna, GU 96932	<b>VENDOR NUMBER:</b>  G0016588
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**PURPOSE:**  
**April 2018, No. 3 – Payroll Advance Allotment Request for One Pay Period**

TRAN CODE	ACCOUNT NUMBER	AMOUNT	Invoices
190	5639A179964GA201-290	\$ 104,800.00	April 2018, No. 3 – Payroll Advance Allotment Request for One Pay Period 4-2018-003
<b>TOTAL</b>		<b>\$ 104,800.00</b>	

CHECK APPROPRIATE BOX BELOW.

- |  |  |   |
|--|--|---|
| <input checked="" type="checkbox"/> ACCOUNT NUMBER IS CORRECT  | <input 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                    |   |

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*A*  
2018

- 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:

APPROVING OFFICIAL:	Signature	Date
Badette Lacap, Senior Accountant	<i>BML</i>	April 18, 2018
FINANCE & PROCUREMENT COMMITTEE	Signature	Date
CERTIFICATION OF FUNDS AVAILABLE		
VICTOR A. PEREZ, COMMITTEE CHAIR	<i>V. Perez</i>	April 18, 2018
FINANCE & PROCUREMENT COMMITTEE	Signature	Date



**GUAHAN  
ACADEMY  
CHARTER SCHOOL**

**BOARD OF TRUSTEES**

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**P.O. Box CS**

**Hagatna, Guam 96932**

**(671) 979-1065/6**

**Board Liaison**

**Cell: (671) 483-3044**

**info.gacsbot@gmail.com**

**FUNCTION:**

Guahan Academy Charter School, Inc.

**No. 3 – Payroll Advance Allotment Request  
for One Pay Period**

**INVOICE:**

GACS FY 2017-2018-04-2018-003

**AUTHORITY:**

Public Law 34-42

**BE IT ENACTED BY THE PEOPLE OF GUAM**

**Section 1.** Section 2 of Part 1, Chapter II of Public Law 34-42, is hereby *amended to read:*

**Section 2.** Notwithstanding any provision of law, for the School Year 2017-2018, pursuant to § 12116(e), Chapter 12 Title 17 GCA, the Department of Administration (DOA) is hereby authorized and directed to deduct Six Thousand Five Hundred Dollars (\$6,500) per enrollee of Academy Charter Schools chartered by the Guam Academy Charter Schools Council, *not to exceed* seven hundred forty (740) students for the *Guahan* Academy Charter School and five hundred (500) students for the *iLearn* Academy Charter School, as recommended by the Guam Academy Charter School 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, GDOE shall verify the invoice for accuracy and report its findings within ten (10) days of receipt of said invoice to DOA prior to the release of funds. If the GDOE fails to reports its findings, the invoiced amount received by DOA shall be automatically transmitted to each Academy Charter School.



**GUAHAN  
ACADEMY  
CHARTER SCHOOL**

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Trustee**

**DATE:** April 18, 2018

**TO:** Edward Birn  
Director,  
Department of Administration

**FROM:** Badette Lacap  
Senior Accountant  
Guahan Academy Charter School Incorporated

**RE:** No. 3- Payroll Advance Allotment Request for One Pay  
Period

Attached are all relevant documents to support the April 2018  
Allotment Request (04-2018-003) for Guahan Academy Charter  
School Incorporated.

A copy of these materials will also be submitted to the GDOE IAO.

Thank you for your time and consideration.

CC: Board of Trustees

GDOE IAO 

**COMMITTEES**

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