



JON J. P. FERNANDEZ
Superintendent of Education

**DEPARTMENT OF EDUCATION
INTERNAL AUDIT OFFICE**

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**FRANKLIN
COOPER-NURSE**
Chief Internal Auditor

September 4, 2015

MEMORANDUM

To: Jon P. Fernandez
Superintendent of Education

From: Franklin Cooper-Nurse
Chief Auditor

Subject: July and August 2015 Review of Guahan Academy Charter School's Invoices

Hafa Adai,

The Internal Audit Office (IAO) has completed its review of Guahan Academy Charter School's allotment request for the months of July and August 2015. Please see the attached report for IAO's complete review and results.

Should you have any questions or concerns, please contact Joy Bulatao at 300-3695 or jvbulatao@gdoe.net, and Franklin Cooper-Nurse at 300-1336 or fjtcooper-nurse@gdoe.net.

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

**Guam Department of Education
Internal Audit Office
Audit Review of Guahan Academy Charter School Invoices
For the Period of July to August 2015**

Purpose: To validate Guahan Academy Charter School's invoices for the months of July and August 2015.

Source: Elizabeth San Nicolas, Accountant for Guahan Academy Charter School

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

Results: Pursuant to Public Law (PL) 32-219, upon receipt of invoices, the Guam Department of Education (GDOE) shall verify invoices for accuracy and report its finding to the Department of Administration (DOA) within ten (10) business days. Internal Audit Office (IAO)'s review focused on validation of July and August expenditures. The results were as follows:

Table 1: Validation of July and August 2015 Invoices

				(A-B)	(B-C)
				D	E
Object Class	A GACS Drawdown	B Submitted Invoices	C IAO's Validation	Variance	Carryover Invoices
1 Personnel Salaries	238,482.24	238,482.24	238,482.24	-	-
2 Benefits	16,569.42	25,259.50	16,569.42	(8,690.08)	8,690.08
3 Travel	1,770.89	1,770.89	1,770.89	-	-
4 Contractual	34,090.51	34,090.51	34,090.51	-	-
5 Supplies & Materials	9,347.87	9,347.87	9,347.87	-	-
6 Advertising	1,780.00	1,780.00	1,780.00	-	-
7 Power	8,683.20	14,127.75	8,683.20	(5,444.55)	5,444.55
8 Water	1,152.23	1,152.23	1,152.23	-	-
9 Telephone & Wireless	4,419.47	4,419.47	4,419.47	-	-
10 Miscellaneous	3,383.41	3,382.91	3,383.41	0.50	(0.50)
TOTAL	\$319,679.24	\$333,813.37	\$ 319,679.24	\$(14,134.13)	\$ 14,134.13

On August 24, 2015, the IAO received DOA's transmittal for Guahan Academy Charter School (GACS)'s July and August 2015 Allotment Request of \$319,679.24 and invoices, from the Office of the Superintendent. *The IAO validated \$319,679.24 of GACS' submitted invoices, for the months of July and August 2015.*

Additionally, the IAO identified a total variance of \$(14,134.13) primarily due to benefits and power exceeding budget request and approved funding, and a total of \$14,134.13 remaining carryover invoices. The carryover balance of \$14,134.13 can be reimbursed in the next reporting period if GACS includes the balance in its next budget request and DOA approves the allotment of funds.

Year-to-date, the IAO validated a total amount of \$2,827,548.01 for school year (SY) 14-15. Based on GACS's SY 14-15 enrollment figure of 535 students as of June 30, 2015, a total of \$114,952.49 in funding remains. See Tables 2 and 3 for details.

Table 2: Year-to-Date Summary

Month	Validation
1 Oct	\$ 131,318.59
2 Oct Supplemental	\$ 106,192.44
3 Nov	\$ 259,565.40
4 Dec	\$ 270,823.33
5 Jan	\$ 209,977.50
6 Feb	\$ 244,120.41
7 Feb Supplemental	\$ 44,949.29
8 Mar	\$ 216,882.26
9 Mar Supplemental	\$ 163,955.40
10 Apr	\$ 304,073.44
11 May and Jun	\$ 556,010.71
12 Jul and Aug	\$ 319,679.24
Total	\$ 2,827,548.01

Table 3: Budget Based on June 30, 2015 Enrollment

Per Student	X	Total Students	=	SY 14-15 Budget
\$ 5,500		535		\$ 2,942,500
SY 14-15 Budget - Total Validated = Remaining Funds				
\$ 2,942,500		\$ 2,827,548		\$ 114,952

Per PL 32-219, GACS's budget is based on a maximum of 600 enrolled students. Based on GACS's e-mail to IAO, GACS's enrollment as of August 24, 2015 was 627. IAO will verify GACS's increased enrollment prior to calculating GACS's SY 15-16 Budget, and will not validate expenses over approved SY budget.



Eddie Baza Calvo
Governor
Ray Tenorio
Lieutenant Governor

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

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Tel: (671) 475-1101/1250 Fax: (671) 477-6788



Anthony C. Blaz
Director

Department of Education
Office of the Superintendent
DATE: 8/21/15 TIME: 1:58
Rec'd. By: [Signature]
Print Name: [Blank]
Signature: 6082121

Mr. Jon Fernandez
Superintendent
Guam Department of Education
P.O. Box DE
Hagatna, Guam 96932

RE: Guahan Academy Charter School – FY2015 July and August Allotment Request

Buenas yan Hafa Adai:

Pursuant to Public Law 32-181, Chapter II, Part I, we are submitting Guahan Academy Charter School's (GACS) allotment request for the months of July and August for Fiscal Year 2015. We are transmitting the request together with the supporting documents provided by GACS for your review and immediate action.

Should you have any further questions or concerns, please contact, Michael Cabral at 475-1144

Si Yu'os Maase!

Sensaramente,

[Signature]
Anthony C. Blaz
Director

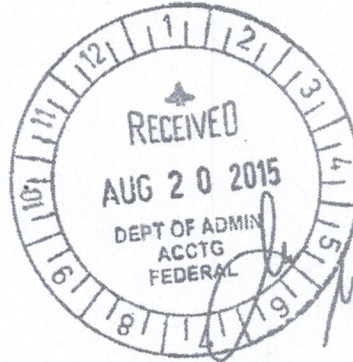
Attachment



**GUAHAN
ACADEMY
CHARTER SCHOOL**

**Business & Finance
Office**

**Accountant
Elizabeth M. San
Nicolas**



DATE: August 19, 2015
To: Anthony Blaz
Director, Department of Administration
FROM: Elizabeth M. San Nicolas, Accountant
Guahan Academy Charter School
RE: July & August 2015 Allotment Payment Request

Attached are the relevant documents to support the July & August Allotment Payment Request for the Guahan Academy Charter School. A copy of these materials will also be submitted to the GDOE IAO.

Thank you for your time and cooperation.

Suite 12, Castle Mall,
University Drive, Mangilao
GU 96915
671) 979-1065/1066 Ext. 3
(671) 734-1066
Direct: (671) 998-1887
accountant@guahanacademy.gu

EG

Mailing Address
P.O. Box CS
Hagatna, GU 96932



FUNCTION: Guahan Academy Charter School
July & August Monthly Budget Request

INVOICE: GACS FY 2015-05- 2015-06

AUTHORITY: Public Law 32-219

BE IT ENACTED BY THE PEOPLE OF GUAM

Section 1. Section 2 of Part 1, 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, 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 hundred students for the *Guahan* Academy Charter School and three hundred fifty-eight(358) students for the *iLearn* Academy Charter School chartered by the Guam Academy Charter Schools Council during the school year 2014-2015, 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 reports its findings, the invoiced amount recieved by the DOA shall be automatically transmitted to each Academy Charter School.

GUAHAN ACADEMY CHARTER SCHOOL

Mailing Address: P.O. Box CS, Hagatna, Guam 96932 • Website: www.guahanacademy.org • Phone: 979-1065/66
Business and Finance Office

Street Address: 130 University Drive Suite#12 Castle Mall Mangilao, Guam 96923 * Phone: 734-1066

CLASSIFICATION	ACCOUNT CODE	TOTAL REQUESTED
PERSONNEL SALARIES	111	\$238,482.24
PERSONNEL BENEFITS	112	\$16,569.42
TRAVEL	220	\$1,770.89
CONTRACTUAL	230	\$34,090.51
MATERIALS & SUPPLIES	240	\$9,347.87
ADVERTISING	240	\$1,780.00
MISCELLANEOUS	290	\$3,383.41
POWER	361	\$8,683.20
WATER	362	\$1,152.23
TELEPHONE & WIRELESS	363	\$4,419.47
	TOTAL	\$319,679.24