



JON J.P. FERNANDEZ
Superintendent of Education

**DEPARTMENT OF
EDUCATION
INTERNAL AUDIT OFFICE**

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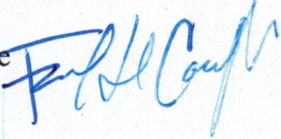


**FRANKLIN
COOPER-NURSE**
Chief Internal Auditor

July 12, 2017

MEMORANDUM

To: Jon P. Fernandez
Superintendent of Education

From: Franklin Cooper-Nurse
Chief Auditor 

Subject: June 2017 Review of Guahan Academy Charter School Inc. (GACS)'s Invoices

Hafa Adai,

The Internal Audit Office (IAO) has completed its review of GACS's allotment request for the month of June 2017. Please see the attached report for IAO's complete review and results.

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

Cc: Deputy Superintendent of Finance and Administrative Services

July 12, 2017

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**Guam Department of Education
Internal Audit Office
Review of Guahan Academy Charter School Inc. Invoices
For the Period of June 2017**

Purpose: To validate Guahan Academy Charter School Inc. (GACS)'s invoices for June 2017

Source: Joseph Limtiaco Cabana, Finance Officer for GACS

Prepared by: Franklin Cooper-Nurse, Chief Auditor, Guam Department of Education (GDOE)
Leana Willess, Auditor, GDOE

Results: Pursuant to Public Law (PL) 33-185, upon receipt of invoices, GDOE shall verify invoices for accuracy and report its finding to the Department of Administration (DOA) within ten (10) calendar days. Internal Audit Office (IAO)'s review focused on validation of June 2017 expenditures. The results were as follows:

Table 1: June 2017 Allotment Request Invoices

June 2017 Monthly Validation		A	B	C	(A-B)	(B-C)	(A-C)
		GACS	Submitted	IAO's	D	E	F
	Object Class	Drawdown	Invoices	Validation	Variance	Carryover Invoices	Unsupported/Lapses
	1 Personnel Salaries	\$ 220,319.86	\$ 220,319.69	\$ 220,319.69	\$ 0.17	\$ -	\$ 0.17
	2 Benefits	\$ 33,448.16	\$ 33,448.33	\$ 33,448.16	\$ (0.17)	\$ 0.17	\$ -
	3 Contractual	\$ 15,115.65	\$ 15,115.65	\$ 13,814.08	\$ -	\$ 1,301.57	\$ 1,301.57
	4 Supplies & Materials	\$ 3,608.24	\$ 3,608.24	\$ 3,608.24	\$ -	\$ -	\$ -
	5 Student Material	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	6 Power	\$ 8,284.95	\$ 8,285.04	\$ 8,284.95	\$ (0.09)	\$ 0.09	\$ -
	7 Water	\$ 1,947.63	\$ 1,947.63	\$ 1,947.63	\$ -	\$ -	\$ -
	8 Telephone & Wireless	\$ 2,086.36	\$ 2,504.37	\$ 2,086.36	\$ (418.01)	\$ 418.01	\$ -
	9 Miscellaneous	\$ 20,681.00	\$ 20,681.00	\$ 20,681.00	\$ -	\$ -	\$ -
	TOTAL	\$ 305,491.85	\$ 305,909.95	\$ 304,190.11	\$ (418.10)	\$ 1,719.84	\$ 1,301.74

On July 3, 2017, the IAO received DOA's transmittal for GACS's June 2017 Allotment Request of \$305,491.85 and invoices from the Office of the Superintendent. ***The IAO validated \$304,190.11 of GACS's submitted invoices for the month of June 2017.*** See Table 2 for the list of submitted invoices.

Additionally, invoices for Personnel, Benefits, and Power were miscalculated resulting in a variance of \$0.17, \$(0.17), and \$(0.09) respectively. An invoice for Contractual and Telephone & Wireless were excluded. The invoice for Contractual is pending supporting documents for IAO's review and the Telephone & Wireless invoice was excluded because it was not included in

July 12, 2017

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the amount requested from DOA. The amounts for Contractual and Telephone & Wireless may be reimbursed in the next reporting period if GACS includes the balance in its budget request and DOA approves the allotment of funds.

IAO Memorandum – GACS June 2017 Validation

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290 Miscellaneous	J-5.1	De Villa Resort Development	1922	6/1/2017	\$	2,200.00	✓	\$	2,200.00
290 Miscellaneous	J-5.2	Guam Community College	98674	6/21/2017	\$	180.00	✓	\$	180.00
290 Miscellaneous	J-5.3	The Guam Daily Post	A42750	6/12/2017	\$	350.00	✓	\$	350.00
290 Miscellaneous	J-5.4	Pacific Charlie Apparel	18520	6/7/2017	\$	761.00	✓	\$	761.00
290 Miscellaneous	J-5.5	Smart Copy	002000	6/6/2017	\$	190.00	✓	\$	190.00
290 Miscellaneous	J-5.6	Trades Academy	10675	4/30/2017	\$	7,000.00	✓	\$	7,000.00
290 Miscellaneous	J-5.7	Trades Academy	10713	5/31/2017	\$	10,000.00	✓	\$	10,000.00
					\$	20,681.00		\$	20,681.00
240 Supplies and Materials	J-6.1	Compacific	657895	6/5/2017	\$	224.00	✓	\$	224.00
240 Supplies and Materials	J-6.2	Compacific	658223	6/26/2017	\$	680.00	✓	\$	680.00
240 Supplies and Materials	J-6.3	Micronesia Guam Inc.	46	6/26/2017	\$	68.00	✓	\$	68.00
240 Supplies and Materials	J-6.4	National Office Supply	175434	6/22/2017	\$	41.92	✓	\$	41.92
240 Supplies and Materials	J-6.5	National Office Supply	175563	6/26/2017	\$	159.87	✓	\$	159.87
240 Supplies and Materials	J-6.6	School Essentials	10327	6/20/2017	\$	451.22	✓	\$	451.22
240 Supplies and Materials	J-6.7	School Essentials	10328	6/20/2017	\$	542.73	✓	\$	542.73
240 Supplies and Materials	J-6.8	VMB International	41850	6/7/2017	\$	1,440.50	✓	\$	1,440.50
					\$	3,608.24		\$	3,608.24
361 Power	J-7.1	Guam Power Authority		6/8/2017	\$	7,539.36	✓	\$	7,539.36
361 Power	J-7.2	Guam Power Authority		6/13/2017	\$	253.22	✓	\$	253.22
361 Power	J-7.3	Guam Power Authority		6/13/2017	\$	426.79	✓	\$	426.79
361 Power	J-7.4	Guam Power Authority		6/12/2017	\$	65.67	✓	\$	65.67
					\$	8,284.95		\$	8,284.95
362 Water	J-8.1	Guam Waterworks Authority	29539698078	6/5/2017	\$	1,947.63	✓	\$	1,947.63
					\$	2,086.36		\$	2,086.36
363 Telephone and Wireless	J-9.1	GTA	10466883	6/1/2017	\$	2,086.36	✓	\$	2,086.36
363 Telephone and Wireless	J-9.2	IT&E		5/31/2017	\$	418.01		\$	-
					\$	2,086.36		\$	2,086.36

Per PL 33-185, IAO validated \$4,743,034.21 for School Year (SY) 2016 – 2017. The law provides \$6,500 for each student up to 740 students or a total of \$4,810,000. As of June 29, 2017, 752 students were enrolled in GACS, exceeding the 740 student cap. See Tables 3 and 4.

Table 3: SY 2016-2017 Validation Summary

	Month	GACS Drawdown	Submitted Invoices	IAO's Validation	Variance	Carryover Invoices
SY 2016 - 2017	July 2016 (Partial)	\$ 143,772.78	\$ 143,772.78	\$ 143,772.78	\$ -	\$ -
	July 2016 (Final)	\$ 229,600.76	\$ 229,600.76	\$ 229,600.76	\$ -	\$ -
	August 2016	\$ 308,098.66	\$ 302,136.14	\$ 302,136.14	\$ 5,962.52	\$ -
	September 2016	\$ 363,891.77	\$ 363,891.97	\$ 363,891.77	\$ (0.20)	\$ 0.20
	SY 2016-2017; FY 2016 Subtotal	\$1,045,363.97	\$ 1,039,401.65	\$1,039,401.45	\$ 5,962.32	\$ 0.20
	October 2016 (Partial and Final)	\$ 801,410.41	\$ 801,410.41	\$ 800,083.21	\$ -	\$ 1,327.20
	November 2016	\$ 340,264.80	\$ 340,264.80	\$ 340,264.80	\$ -	\$ -
	December 2016	\$ 358,117.00	\$ 358,117.00	\$ 358,117.00	\$ -	\$ -
	January 2017	\$ 466,237.42	\$ 466,237.42	\$ 466,237.42	\$ -	\$ -
	February 2017	\$ 440,597.67	\$ 440,597.67	\$ 427,256.40	\$ 13,341.27	\$ 13,341.27
	March 2017	\$ 304,482.97	\$ 304,482.97	\$ 295,460.97	\$ 9,022.00	\$ 9,022.00
	April 2017 (Partial)	\$ 333,691.59	\$ 330,624.81	\$ 329,099.31	\$ 4,592.28	\$ 1,525.50
	April 2017 (Final)	\$ 133,953.71	\$ 134,553.51	\$ 133,953.71	\$ -	\$ 599.80
	May 2017	\$ 248,969.83	\$ 248,969.83	\$ 248,969.83	\$ -	\$ -
	June 2017	\$ 305,491.85	\$ 305,909.95	\$ 304,190.11	\$ 1,301.74	\$ 1,719.84
	SY 2016-2017; FY 2017 Subtotal	\$3,733,217.25	\$ 3,731,168.37	\$3,703,632.76	\$ 28,257.29	\$ 27,535.61
	Grand Total (SY 2016-2017)	\$4,778,581.22	\$ 4,770,570.02	\$4,743,034.21	\$ 34,219.61	\$ 27,535.81

Table 4: SY 2016-2017 GACS Enrollment

Months	Grade Level														Grand Total
	1	2	3	4	5	6	7	8	9	10	11	12	K		
Jul-16	79	77	76	57	46	56	48	57	38	21	31	18	52	656	
Aug-16	85	73	77	50	47	76	49	50	28	21	29	16	94	695	
Sep-16	83	73	75	50	47	75	49	52	24	20	27	15	97	687	
SY 2016-2017; FY 2016 Average	82	74	76	52	47	69	49	53	30	21	29	16	81	679	
Oct-16	87	75	81	57	49	76	53	55	25	23	27	16	102	726	
Nov-16	84	75	81	57	51	73	49	55	26	24	27	16	98	716	
Dec-16	85	76	81	57	51	71	48	55	25	22	29	16	98	714	
Jan-17	85	76	81	60	50	72	48	55	25	21	27	15	97	712	
Feb-17	85	76	81	61	52	70	45	55	25	22	27	16	95	710	
Mar-17	85	76	81	62	53	71	47	55	25	22	27	16	94	714	
Apr-17	87	77	81	61	53	71	48	55	26	22	26	15	93	715	
May-17	97	87	78	81	64	58	74	50	58	28	22	32	5	734	
Jun-17	90	88	78	85	67	65	75	49	56	28	23	30	18	752	
SY 2016-2017; FY 2017 Average	87	78	80	65	54	70	54	54	32	24	26	19	78	721	
Grand Average (SY 2016-2017)	85	76	78	58	51	69	51	53	31	22	28	18	79	700	



Eddie Baza Calvo
Governor
Ray Tenorio
Lieutenant Governor

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

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



Christine W. Baleta
Director
Vincent P. Arriola
Deputy Director

June 29, 2017

To IAO.
DS
7/3/17

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

RE: Guahan Academy Charter School – June 2017 Allotment Request

Buenas yan Hafa Adai:

Pursuant to Public Law 33-185, Chapter II, Part I, we are submitting Guahan Academy Charter School's allotment request for the month of June for Fiscal Year 2017. 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,

Christine W. Baleta
Director

Department of Education	
Office of the Superintendent	
Date: 6/29/17	Time: _____
Rec'd By: [Signature]	[Signature]
Print Name	Signature

RECEIVED
By IAO 7/03/17
LW



GOVERNMENT OF GUAM
DEPARTMENT OF ADMINISTRATION
FINANCIAL MANAGEMENT SYSTEM

**REQUEST FOR
DIRECT PAYMENT**

DOCUMENT NO.: _____

URGENT - EXPEDITE PAYMENT KEY & RELEASE -

PAYEE: Guahan Academy Charter School P.O. Box CS Hagatna, GU 96932	VENDOR NUMBER: G0016588
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PURPOSE:

June 2017 Allotment Request

TRAC CODE	ACCOUNT NUMBER	AMOUNT	Invoice
190	5639A179964GA201-290	\$ 305,491.85	June 2017 Allotment Request
TOTAL		\$ 305,491.85	

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 ATTACHED DOCUMENTS.

PREPARED BY: _____

JUN 29 2017

Customer Service

APPROVING OFFICIAL: _____	Signature	Date
JOSEPH L. CABANA, FINANCE OFFICER		June 29, 2017
FINANCE & PROCUREMENT COMMITTEE	Signature	Date
CERTIFICATION OF FUNDS AVAILABLE:		
VICTOR A. PEREZ, COMMITTEE CHAIR	Signature	June 29, 2017
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

info.gacsbot@gmail.com

FUNCTION: Guahan Academy Charter School, Inc.
J ~~FEBRUARY 2017~~ ALLOTMENT REQUEST
June 2017

INVOICE: GACS FY 2016-2017-02-2017-01

AUTHORITY: Public Law 33-185

BE IT ENACTED BY THE PEOPLE OF GUAM

Section 1. Section 2 of Part 1, Chapter II of Public Law 33-185, is hereby *amended to read:*

Section 2. Notwithstanding any provision of law, for the School Year 2016-2017, 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.

Department of Administration
Division of Accounts

JUN 29 2017

Customer Service

June 2017 Allotment Summary

CLASSIFICATION	ACCOUNT CODE	TOTAL REQUESTED
PERSONNEL SALARIES	111	\$ 220,319.86
PERSONNEL BENEFITS	114	\$ 33,448.16
CONTRACTUAL	230	\$ 15,115.65
MATERIALS & SUPPLIES	240	\$ 3,608.24
DRUG TESTING	271	\$ -
MISCELLANEOUS	290	\$ 20,681.00
POWER	361	\$ 8,284.95
WATER	362	\$ 1,947.63
TELEPHONE & WIRELESS	363	\$ 2,504.37
		\$ 315,909.86