



**DEPARTMENT OF EDUCATION
OFFICE OF THE SUPERINTENDENT**

www.gdoe.net
500 Mariner Avenue
Barrigada, Guam 96913
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JON J.P. FERNANDEZ
Superintendent of Education

June 14, 2018

Mr. Edward Birn
Director
Department of Administration
P.O. Box 884
Hagatña, Guam 96932

GUAHAN ACADEMY CHARTER SCHOOL
Received By: *[Signature]*
Date: *6/15/18* Time: *8:35 am*

Speaker Benjamin J.F. Cruz

JUN 15 2018
Time: *9:11* AM () PM File No. _____
Received By: *[Signature]*

Re: Guahan Academy Charter School: FY 2018 May 2018 (Partial #6) Allotment Request

Hafa Adai,

Upon review of the Guahan Academy Charter School Fiscal Year 2018 May 2018 (Partial #6) Allotment Request by our Internal Audit Office in collaboration with members of the Guahan Academy Charter School Incorporated, I am unable to submit my verification of accuracy as required by Public Law 34-42, Chapter II, Section 3 in its entirety.

Our Internal Audit Office was able to validate \$0 of the invoiced total. Please see the attached verification report. This validation is based on actual invoices submitted to our Internal Audit Office on June 4, 2018.

Please advise my office if you have any further questions or concerns regarding this matter.

Sincerely,

[Signature]

Jon J.P. Fernandez
Superintendent of Education

RECEIVED
JUN 15 2018
GUAHAM EDUCATION BOARD
TIME 10:29 am

Attachment

Cc: Chairman and Members, Guam Education Board
Speaker, 34th Guam Legislature
Guahan Academy Charter School

RECEIVED
Da JUN 15 2018 09:05
DEPT OF ADMINISTRATION
DIRECTOR'S OFFICE
to:



JON J.P. FERNANDEZ
Superintendent of Education

**DEPARTMENT OF
EDUCATION
INTERNAL AUDIT OFFICE**

500 Mariner Avenue, Barrigada, Guam 96913
Telephone: (671) 300-1336
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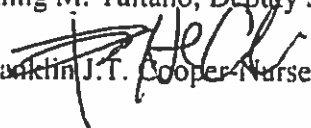
**FRANKLIN
COOPER-NURSE**
Chief Internal Auditor

June 14, 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: May 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 sixth partial allotment request for May 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 June 4, 2018, IAO received the Department of Administration's transmittal for GACS's May 2018 Partial #6 Allotment Request of \$92,457.50. The IAO was not able to validate GACS's submitted invoices due an incomplete procurement record; and several areas of concern noted relative to the method of source selection and compliance to Guam Procurement Law and regulations (e.g. Title 5 of the Guam Code Annotated (GCA) §5211(b), and Title 2 of the Guam Administrative Rules and Regulations, Division 4 §3109(f)(2)).

Table 1: May 2018 Allotment Request Invoices (Partial #6)

	A	B	C	(B-C) = D
Object Class	GACS Drawdown	Submitted Invoices	IAO's Validation	Difference
Contractual	\$ 92,457.50	\$ 92,457.50	\$ -	\$ 92,457.50
TOTAL	\$ 92,457.50	\$ 92,457.50	\$ -	\$ 92,457.50

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 FY 2018 appropriations were reduced by \$416,719¹ for a revised appropriation of \$4,393,281. For FY 2018, IAO validated \$3,003,465.29

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

IAO Memorandum – GACS May 2018 Partial #6 Validation

June 14, 2018

Page 2 of 3

of expenditures, leaving a balance of \$1,389,815.71 of unexpended funds. As of May 31, 2018, 883 students were enrolled in GACS. See Tables 2 and 3.

Table 2: FY 2018 Validation Summary

Months	A GACS Drawdown	B Submitted Invoices	C IAO's Validation	(B-C) = D 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)	\$ 183,314.19	\$ 183,314.19	\$ 180,914.19	\$ 2,400.00
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
April 2018 (Special #4)	\$ 50,173.75	\$ 50,173.75	\$ -	\$ 50,173.75
April 2018 (Partial #2)	\$ 125,858.12	\$ 125,857.92	\$ 125,342.16	\$ 515.76
April 2018 (Special #5)	\$ 4,124.98	\$ 4,124.98	\$ -	\$ 4,124.98
April 2018 (Special #6)	\$ 8,000.00	\$ 8,000.00	\$ -	\$ 8,000.00
April 2018 (Partial #3)	\$ 14,809.14	\$ 14,041.40	\$ 13,240.90	\$ 800.50
May 2018 (Partial #1)	\$ 105,617.14	\$ 105,617.14	\$ 105,617.14	\$ -
April 2018 (Special #8)	\$ 13,026.00	\$ 13,026.00	\$ -	\$ 13,026.00
May 2018 (Special #10)	\$ 48,000.00	\$ 48,000.00	\$ -	\$ 48,000.00
May 2018 (Partial #2)	\$ 158,403.19	\$ 158,003.19	\$ 156,678.91	\$ 1,364.25
May 2018 (Partial #3)	\$ 17,700.37	\$ 17,700.37	\$ 17,700.37	\$ -
May 2018 (Partial #5)	\$ 103,488.65	\$ 103,488.65	\$ 103,488.65	\$ -
May 2018 (Partial #6)	\$ 92,457.50	\$ 92,457.50	\$ -	\$ 92,457.50
Total (FY 2018)	\$ 4,425,536.49	\$ 4,424,114.94	\$ 3,003,465.29	\$ 1,328,192.15

		GACS Max. Budget	\$ 4,810,000.00
		Less Appropriations	
		reduction	(416,719.00)
Funding Per Student	\$ 6,500	Revised Budget	\$ 4,393,281.00
Maximum Enrollment	740	Less IAO's Validations	(3,003,465.29)
GACS Maximum Budget	\$ 4,810,000	Remaining Funds	\$ 1,389,815.71

Table 3: FY 2018 GACS Enrollment

Months	Grade Level															Total
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	
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	24	67	65	946	
Dec-17	81	96	96	93	75	93	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	91	92	88	72	87	79	51	41	30	28	32	60	63	890	
May-18	76	90	92	88	72	87	79	49	41	30	27	32	59	61	883	
Average	78	94	95	91	74	89	83	54	41	31	29	33	65	64	922	

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

Appendix 1: GACS May 2018 (Partial #6) Allotment Request Invoices

Object Code and Class	Reference	Vendor	Invoice #	Invoice Date	Invoice Amount	Validated	Validated Amount
230 Contractual	AF-2.1	New Fresh Bread Bakeshop	GACS-0004	4/27/2018	\$ 18,670.00		\$ -
230 Contractual	AF-2.2	New Fresh Bread Bakeshop	GACS-0005	5/4/2018	\$ 18,617.50		\$ -
230 Contractual	AF-2.3	New Fresh Bread Bakeshop	GACS-0006	5/11/2018	\$ 18,740.00		\$ -
230 Contractual	AF-2.4	New Fresh Bread Bakeshop	GACS-0007	5/18/2018	\$ 18,300.00		\$ -
230 Contractual	AF-2.5	New Fresh Bread Bakeshop	GACS-0008	5/25/2018	\$ 18,130.00		\$ -
Total							\$ -



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



Edward Birn
Director
Vincent P. Arriola
Deputy Director

June 1, 2018

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

*To LAO -
A-J
6/4/18*

RE: Guahan Academy Charter School – May 2018 (Partial#6) Allotment Request

Buenas yan Hafa Adai:

Pursuant to Public Law 33-42, Chapter II, Part I, we are submitting Guahan Academy Charter School's partial allotment request for the month of May 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, Mury Grace Edrosa at 475-1283

Si Yu'os Maase!

Sensurongante,

[Signature]
Edward Birn
Director

Department of Education Office of the Superintendent	
Case:	<i>67118</i>
Rec'd By:	<i>Mary 8060403</i>
Print Name	Signature


✓ Attachments



**GUAHAN
ACADEMY
CHARTER SCHOOL**

DATE: May 31, 2018

TO: Edward Birn
Director,
Department of Administration


FROM: Badette Lacap 
Senior Accountant
Guahan Academy Charter School Incorporated

RE: May 2018 - Allotment Request (Partial #6)

Attached are all relevant documents to support the May 2018 Allotment Request (Partial # 6) 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

P.O. Box CS
Hagatna, Guam 96932
Tel. No. (671) 734-1066



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 P.O. Box CS Hagatna, GU 96932	VENDOR NUMBER: G0016588
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PURPOSE:

May 2018 - Allotment Request (Partial #6)

ITEM CODE	ACCOUNT NUMBER	AMOUNT	NOTES
190	5639A179964GA201-290	\$ 92,457.50	May 2018 - Allotment Request (Partial #6)
TOTAL		\$ 92,457.50	

CHECK APPROPRIATE BOX BELOW:

- ACCOUNT NUMBER IS CORRECT JOB ORDER NUMBER IS CORRECT INSUFFICIENT FUNDS
 PRIOR REFERENCE IS CORRECT VENDOR NUMBER IS CORRECT
 OVERRIDE IS AUTHORIZED SUFFICIENT FUNDS

I CERTIFY THAT GOODS/SERVICES SPECIFIED HAVE BEEN RECEIVED AND THAT PAYMENT IS PROPER AS PER THE ATTACHED DOC
 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
<u>Badette Lacap, Senior Accountant</u>		May 31, 2018
FINANCE & PROCUREMENT COMMITTEE	Signature	Date
CERTIFICATION OF FUNDS AVAILABLE:		
<u>Hentrick M. Eveluck, Acting Chairman</u>		May 31, 2018
FINANCE & PROCUREMENT COMMITTEE	Signature	Date

GUAHAN ACADEMY CHARTER SCHOOL

Allotment Summary

May 2018 - Allotment Request (Partial #6)

CLASSIFICATION	ACCOUNT CODE	TOTAL REQUESTED
PERSONNEL SALARIES	111	
PERSONNEL BENEFITS	114	
CONTRACTUAL	230	\$ 92,457.50
MATERIALS & SUPPLIES	240	
WORKMAN'S COMP & GEN LAB	270	
DRUG TESTING	271	
MISCELLANEOUS	290	
POWER	361	
WATER	362	
TELEPHONE & WIRELESS	363	
TOTAL:		\$ 92,457.50

Department of Administration
 Director of Accounts

JUN 01 2018
 4:40

Customer Services

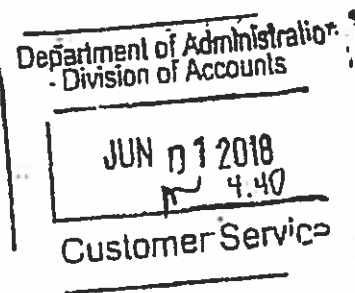


**GUAHAN
ACADEMY
CHARTER SCHOOL**

FUNCTION: Guahan Academy Charter School, Inc.
MAY 2018 -ALLOTMENT REQUEST (Partial #6)

INVOICE: GACS FY 2017-2018-05-2018-006

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.