



DEPARTMENT OF EDUCATION OFFICE OF THE SUPERINTENDENT



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Barrigada, Guam 96913
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JON J.P. FERNANDEZ
Superintendent of Education

August 23, 2018

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

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

Re: Guahan Academy Charter School: FY 2017 September 2017 (Partial #10) Allotment Request

Hafa Adal,

Upon review of the Guahan Academy Charter School Fiscal Year 2017 September 2017 (Partial #10) 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 33-185, Chapter II, Section 3 in its entirety.

Our Internal Audit Office was able to validate \$508 of the invoiced total. Please see the attached verification report. This validation is based on actual invoices submitted to our Internal Audit Office on August 14, 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 *[Initials]*

Vice Speaker Therese M. Terlaje

SEP 18 2018

Time: 8:56 AM

Received by: MPLOVES

Attachment

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





JON J.P. FERNANDEZ
Superintendent of Education

**DEPARTMENT OF
EDUCATION
INTERNAL AUDIT OFFICE**

501 Mariner Avenue, Barrigada, Guam 96913
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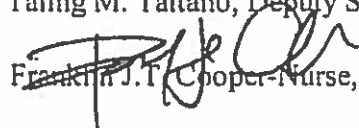
**FRANKLIN
COOPER-NURSE**
Chief Internal Auditor

August 22, 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: September 2017 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 10th allotment request for September 2017. GDOE (IAO) is authorized by Public Law (PL) 33-185 to verify charter school invoices for accuracy and report its findings within 10 days.

On August 14, 2018, IAO received the Department of Administration's transmittal for GACS's September 2017 Partial #10 Allotment Request of \$17,361. The IAO was able to validate \$508 of GACS's submitted invoices, and was not able to validate \$16,853.

GACS requested to drawdown funds for meals at the Dusit Thani, pre-school curriculum materials, and a student learning software using blanket purchase agreements (BPA). Per Title 2 of the Guam Administrative Rules and Regulations, Division 4, §3112.11(a), "A blanket purchase agreement is a simplified method of filling anticipated repetitive needs for supplies and services [...]". Therefore, IAO could not validate \$3,278 for meals at the Dusit Thani due to the questionable use of a BPA.

IAO could not validate \$3,975 for the pre-school materials due to the Charter School Act only authorizing Academy Charter Schools to "...provide a program of education, which shall include any grade or grades from kindergarten through grade twelve (12)" (Title 12 of the Guam Code Annotated §12107).

Additionally, GACS previously requested to drawdown funds for the Edgenuity invoice in September 2017; and IAO was unable to validate the invoice due to the lack of required solicited quotations or procurement documentation. As a result, it appears that GACS has recently generated a BPA to support the procurement in an effort to drawdown funds. This appears

questionable as BPA documents were not originally provided in September 2017 and the BPA, dated August 2017, was signed by an accountant not employed by GACS at that time. Therefore, IAO could not validate the \$3,975 invoice.

Table 1: September 2017 Allotment Request Invoices (Partial #10)

	A	B	C	(B-C) = D
Object Class	GACS Drawdown	Submitted Invoices	IAO Validation	Difference
Supplies and Materials	\$ 508.00	\$ 508.00	\$ 508.00	\$ -
Miscellaneous	\$ 16,853.00	\$ 16,853.00	\$ -	\$ 16,853.00
TOTAL	\$ 17,361.00	\$ 17,361.00	\$ 508.00	\$ 16,853.00

PL 33-185 provides \$6,500 for each student up to 740 students or a total of \$4,810,000. For Fiscal Year (FY) 2017, IAO validated \$4,775,689.64 of expenditures, leaving an unexpended balance of 34,310.36. As of September 30, 2017, 990 students were enrolled in GACS. See Tables 2 and 3.

Table 2: FY 2017 Validation Summary

	A	B	C	(B-C) = D
Month	GACS Drawdown	Submitted Invoices	IAO's Validation	Difference
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
March 2017	\$ 304,482.97	\$ 304,482.97	\$ 295,460.97	\$ 9,022.00
April 2017 (Partial)	\$ 333,691.59	\$ 330,624.81	\$ 329,099.31	\$ 1,525.50
April 2017 (Final)	\$ 133,953.71	\$ 134,553.71	\$ 133,953.71	\$ 600.00
May 2017	\$ 248,969.83	\$ 248,969.83	\$ 248,969.83	\$ -
June 2017	\$ 305,491.85	\$ 305,909.95	\$ 304,190.11	\$ 1,719.84
July 2017 (Partial)	\$ 448,231.17	\$ 448,231.17	\$ 115,406.17	\$ 332,825.00
July 2017 (Final)	\$ 341,828.53	\$ 341,828.53	\$ 316,828.53	\$ 25,000.00
August 2017 (Partial)	\$ 160,177.71	\$ 160,177.71	\$ 148,867.19	\$ 11,310.52
August 2017 (Final)	\$ 346,065.61	\$ 346,066.27	\$ 267,366.71	\$ 78,699.56
September 2017 (Partial)	\$ 164,926.45	\$ 165,233.49	\$ 151,425.35	\$ 13,808.14
September 2017 (Final)	\$ 100,739.79	\$ 100,739.79	\$ 36,047.47	\$ 64,692.32
September 2017 (2nd Final)	\$ 48,499.31	\$ 48,499.31	\$ 17,947.24	\$ 30,552.07
September 2017 (3rd Final)	\$ 47,395.25	\$ 47,395.25	\$ 1,892.52	\$ 45,502.73
May 2018 (Special #9)	\$ 12,000.00	\$ 12,000.00	\$ -	\$ 12,000.00
April 2018 (Special #7)	\$ 5,656.83	\$ 5,656.83	\$ -	\$ 5,656.83
September 2017 (#4)	\$ 5,517.87	\$ 5,517.87	\$ 4,469.44	\$ 1,048.43
September 2017 (#7)	\$ 11,524.98	\$ 11,524.98	\$ -	\$ 11,524.98
September 2017 (#8)	\$ 9,250.00	\$ 9,250.00	\$ 9,250.00	\$ -
September 2017 (#09)	\$ 6,606.59	\$ 6,606.59	\$ 2,048.26	\$ 4,558.33
September 2017 (Partial #10)	\$ 17,361.00	\$ 17,361.50	\$ 508.00	\$ 16,853.50
Total (FY 2017)	\$5,458,998.34	\$5,457,257.86	\$ 4,775,689.64	\$ 681,568.22

Per PL 33-185 (FY 2017; SY 2016-2017)		FY 2017 Year-to-Date	
Funding Per Student	\$ 6,500	GACS Max. Budget	\$4,810,000.00
Maximum Enrollment	740	IAO's Validation	4,775,689.64
GACS Maximum Budget	<u>\$ 4,810,000</u>	Remaining Funds	<u>\$ 34,310.36</u>

Table 3: FY 2017 GACS Enrollment

Months	Grade Level															Total
	1	2	3	4	5	6	7	8	9	10	11	12	K	PK		
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	-	713	
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	
Jul-17	92	100	100	98	79	92	90	55	53	36	28	34	52	71	980	
Aug-17	90	104	104	102	83	105	93	58	50	36	30	35	64	71	1,025	
Sep-17	85	100	101	98	79	96	92	56	47	34	30	35	70	67	990	
Average	88	84	86	73	61	77	64	54	37	27	27	23	74	70	843	

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 ftcooper-nurse@gdoe.net.



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

August 13, 2018

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

*Forward to IAD.
[Signature]
8/14/18*

RE: Guahan Academy Charter School – September 2017 Allotment Request#10

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 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 Mause!

Sensaramente,

[Signature]
Edward Birn
Director

Department of Education	
Office of the Superintendent	
Date: _____	Time: _____
Rec'd By: _____	8081401
_____	Signature


✓ Attachments



**GUAHAN
ACADEMY
CHARTER SCHOOL**

DATE: August 08, 2018

TO: Edward Birn
Director,
Department of Administration

FROM: Badette Lacap 
Senior Accountant
Guahan Academy Charter School Incorporated

RE: FY 2016-2017 - ALLOTMENT REQUEST # 10

Attached are all relevant documents to support the GACS Sept 2017 Allotment Request # 10 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



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: Gushan Academy Charter School P.O. Box CS Hagatna, GU 96932	VENDOR NUMBER: G0016588
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PURPOSE:
SEPT 2017 ALLOTMENT REQUEST # 10

FY 2016-2017			
TRAN CODE	ACCOUNT NUMBER	AMOUNT	REMARKS
190	5639A179964GA201-290	\$ 17,361.00	SEPT 2017 ALLOTMENT REQUEST # 10
			FY 2016-2017
TOTAL		\$ 17,361.00	

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

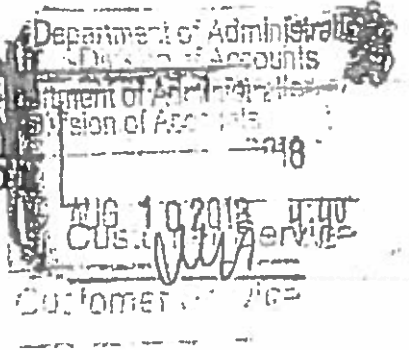
- I CERTIFY THAT GOODS/SERVICES SPECIFIED HAVE BEEN RECEIVED AND THAT PAYMENT IS PROPER AS PER THE ATTACHED DOCUMENTS.
 I CERTIFY THAT A VALID LIABILITY EXIST BY REASON OF WITHHOLDING, OVERPAYMENT AND THAT PAYMENT IS PROPER AS PER THE ATTACHED DOCUMENTS.

PREPARED BY:

APPROVING OFFICIAL:	Signature	Date
<u>Badette Lacap, Senior Accountant</u>		August 8, 2018
FINANCE & PROCUREMENT COMMITTEE	Signature	Date
CERTIFICATION OF FUNDS AVAILABLE:		
<u>Hentrick M. Eveluck, Acting Chairman</u>		August 8, 2018
FINANCE & PROCUREMENT COMMITTEE	Signature	Date



**GUAHAN
ACADEMY
CHARTER SCHOOL**



FUNCTION: Guahan Academy Charter School, Inc.
FY 2016-2017 - ALLOTMENT REQUEST # 10

INVOICE: GACS FY 2016-2017-09-2017-10

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 report its findings, the invoiced amount received by DOA shall be automatically transmitted to each Academy Charter School.

GUAHAN ACADEMY CHARTER SCHOOL
 Allotment Summary

SEPT 2017 ALLOTMENT REQUEST # 10
FY 2016-2017

CLASSIFICATION	ACCOUNT CODE	TOTAL REQUESTED
PERSONNEL SALARIES	111	
PERSONNEL BENEFITS	114	
CONTRACTUAL	230	\$ -
MATERIALS & SUPPLIES	240	\$ 508.00
WORKMAN'S COMP & GEN LIAB	270	
DRUG TESTING	271	
MISCELLANEOUS	290	\$ 16,853.00
POWER	361	
WATER	362	
TELEPHONE & WIRELESS	363	\$ -
TOTAL		\$ 17,361.00

