



**DEPARTMENT OF EDUCATION  
OFFICE OF THE SUPERINTENDENT**

www.gdoe.net  
500 Mariner Avenue  
Barrigada, Guam 96913  
Telephone: (671) 300-1547 / 1536 • Fax: (671) 472-5001  
Email: jonfernandez@gdoe.net



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

August 22, 2018

Speaker Benjamin J.F. Cruz

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

AUG 23 2018  
Time: 9:57 AM File No. 34-3014  
Received By: *[Signature]*

Re: Guahan Academy Charter School: FY 2018 August 2018 (Partial #1) Allotment Request

Hafa Adai,

Upon review of the Guahan Academy Charter School Fiscal Year 2018 August 2018 (Partial #1) 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 \$99,604.70 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.

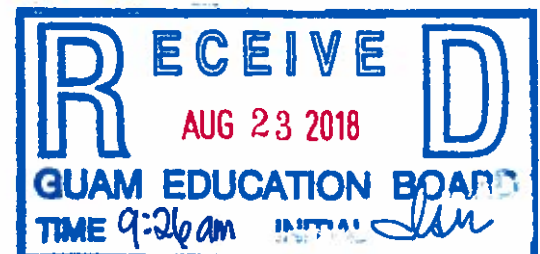
Sincerely,

*[Signature]*  
Jon J.P. Fernandez  
Superintendent of Education



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  
Telephone: (671) 300-1336  
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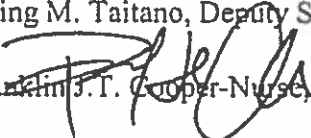
**FRANKLIN  
COOPER-NURSE**  
Chief Internal Auditor

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:** August 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 first partial allotment request for August 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 August 14, 2018, IAO received the Department of Administration's transmittal for GACS's August 2018 Partial #1 Allotment Request of \$102,880.84. IAO was able to validate \$99,604.70 of GACS's submitted invoices. Of the \$3,276.14 not validated, \$2,297.98 was due to additional scope of work not included in GACS's original contract.

Additionally, GACS procured copier services through the use of a Request for Quotation (RFQ). Three vendors provided quotations to GACS's RFQ. Xerox was selected based on "the quality of the machine and the more in depth quotation and specifications provided by the vendors." However, Xerox did not provide the lowest price and no documentation was provided to evidence that the other vendors were non-responsive and/or non-responsible. Per Title 2 of the Guam Administrative Rules and Regulations, Division 4, §3111(c)(1), "Awards shall be made to the lowest responsible and responsive bidder". Therefore, IAO could not validate \$978.16 for the Xerox invoice.

**Table 1: August 2018 Allotment Request Invoices (Partial #1)**

Object Class	A		B		C		(B-C) = D
	GACS	Drawdown	Submitted	Invoices	IAO's	Validation	Difference
Personnel Salaries	\$	82,415.98	\$	82,415.98	\$	82,415.98	\$ -
Personnel Benefits	\$	8,507.75	\$	8,507.75	\$	8,507.75	\$ -
Contractual	\$	4,233.68	\$	4,233.68	\$	3,255.52	\$ 978.16
Materials & Supplies	\$	1,895.10	\$	1,895.10	\$	1,895.10	\$ -
Miscellaneous	\$	1,270.00	\$	1,270.00	\$	1,270.00	\$ -
Telephone & Wireless	\$	4,558.33	\$	4,558.33	\$	2,260.35	\$ 2,297.98
<b>TOTAL</b>	\$	102,880.84	\$	102,880.84	\$	99,604.70	\$ 3,276.14

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 reduced by \$416,719<sup>1</sup> for a revised appropriation of \$4,393,281. For FY 2018, IAO validated \$3,631,079.99 of expenditures, leaving a balance of \$762,201.01 of unexpended funds. As of August 9, 2018, 711 students were enrolled in GACS. See Tables 2 and 3.

<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*

**Table 2: FY 2018 Validation Summary**

	A	B	C	(B-C) - D
Month	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
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)	\$ 158,493.19	\$ 158,003.19	\$ 156,638.94	\$ 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
June 2018 (Partial #1)	\$ 14,342.50	\$ 14,342.50	\$ -	\$ 14,342.50
June 2018 (Partial #2)	\$ 184,486.82	\$ 184,487.12	\$ 168,673.37	\$ 15,813.75
June 2018 (Partial #3)	\$ 96,418.68	\$ 96,418.68	\$ 95,622.52	\$ 796.16
June 2018 (Partial #4)	\$ 150,000.00	\$ 150,000.00	\$ -	\$ 150,000.00
July 2018 (Partial #2)	\$ 142,777.52	\$ 142,777.52	\$ 142,777.52	\$ -
July 2018 (Partial #1)	\$ 14,000.00	\$ 14,000.00	\$ -	\$ 14,000.00
July 2018 (Partial #3)	\$ 27,226.83	\$ 27,226.83	\$ 16,189.58	\$ 11,037.25
July 2018 (Partial #4)	\$ 33,222.58	\$ 33,222.58	\$ 15,023.60	\$ 18,198.98
July 2018 (Partial #5)	\$ 19,201.89	\$ 19,201.89	\$ -	\$ 19,201.89
July 2018 (Partial #6)	\$ 89,723.41	\$ 89,723.41	\$ 89,723.41	\$ -
August 2018 (Partial #1)	\$ 102,880.84	\$ 102,880.84	\$ 99,604.70	\$ 3,276.14
<b>Total (FY 2018)</b>	<b>\$5,299,817.56</b>	<b>\$5,298,396.31</b>	<b>\$3,631,079.99</b>	<b>\$1,667,316.32</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	(3,631,079.99)
		Remaining Funds	\$ 762,201.01

**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	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
Jun-18	75	90	91	87	72	87	79	49	41	30	27	32	59	61	880
Jul-18	50	58	74	77	77	65	74	76	27	37	27	26	43	-	711
Aug-18	50	58	74	77	77	65	74	76	27	37	27	26	43	-	711
<b>Average</b>	<b>73</b>	<b>87</b>	<b>91</b>	<b>88</b>	<b>74</b>	<b>84</b>	<b>80</b>	<b>57</b>	<b>39</b>	<b>32</b>	<b>28</b>	<b>31</b>	<b>60</b>	<b>52</b>	<b>876</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 [fitcooper-nurse@gdoe.net](mailto:fitcooper-nurse@gdoe.net).

Appendix 1: GACS August 2018 (Partial #1) Allotment Request Invoice

Object Code and Class	Reference	Vendor	Invoice #	Invoice Date	Invoice Amount	Validated	Validated Amount
111 Personnel Salaries	AQ-2.1	Sanford Technology Group	200925-30H	8/8/2018	\$ 82,415.98	✓	\$ 82,415.98
						Subtotal	\$ 82,415.98
114 Personnel Benefits	AQ-3.1	Sanford Technology Group	200925-30H	8/8/2018	\$ 5,109.78	✓	\$ 5,109.78
114 Personnel Benefits	AQ-3.2	Sanford Technology Group	200925-30H	8/8/2018	\$ 1,195.01	✓	\$ 1,195.01
114 Personnel Benefits	AQ-3.3	Sanford Technology Group	200925-30H	8/8/2018	\$ 2,202.96	✓	\$ 2,202.96
						Subtotal	\$ 8,507.75
230 Contractual	AQ-4.1	Sanford Technology Group	200925-30H	8/8/2018	\$ 248.87	✓	\$ 248.87
230 Contractual	AQ-4.2	Pacedit	71195	8/1/2018	\$ 685.00	✓	\$ 685.00
230 Contractual	AQ-4.3	Pacific Waste Systems, LLC	121266	8/1/2018	\$ 769.30	✓	\$ 769.30
230 Contractual	AQ-4.4	Xerox	093891530	7/20/2018	\$ 1,552.35	✓	\$ 1,552.35
230 Contractual	AQ-4.5	Xerox	093891534	7/20/2018	\$ 978.16	✓	\$ -
						Subtotal	\$ 3,255.52
240 Supplies and Materials	AQ-5.1	VMB International Co.	43868	7/23/2018	\$ 1,895.10	✓	\$ 1,895.10
						Subtotal	\$ 1,895.10
290 Miscellaneous	AQ-6.1	Western Association of Schools and Colleges	1105455	7/11/2018	\$ 550.00	✓	\$ 550.00
290 Miscellaneous	AQ-6.2	The Guam Daily Post	A48741	6/19/2018	\$ 360.00	✓	\$ 360.00
290 Miscellaneous	AQ-6.3	The Guam Daily Post	A49085	7/9/2018	\$ 360.00	✓	\$ 360.00
						Subtotal	\$ 1,270.00
363 Telephone and Wireless	AQ-7.1	GTA	1	10/1/2017	\$ 2,297.98	✓	\$ -
363 Telephone and Wireless	AQ-7.2	GTA	10759623	10/1/2017	\$ 2,260.35	✓	\$ 2,260.35
						Subtotal	\$ 2,260.35
						Subtotal	\$ 99,604.70



**GUAHAN  
ACADEMY  
CHARTER SCHOOL**

DATE: August 09, 2018

TO: Edward Birn  
Director,  
Department of Administration

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

RE: August 2018 - Allotment Request (Partial # 1)

Attached are all relevant documents to support the August 2018 Allotment Request (Partial # 1) 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  
Wilfred Aflague, CFO  
GDOE IAO

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



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

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

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



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

August 13, 2018

*Forward to CAO*  
*[Signature]* 8/14/18

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

RE: Guahan Academy Charter School – August 2018 (Partial#1) 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 August 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: _____	8081402
_____	Signature

✓ Attachments





**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:**  
**August 2018 - Allotment Request (Partial # 1)**

Account Number	Amount	Invoice
190	\$ 102,880.84	August 2018 - Allotment Request (Partial # 1)
<b>TOTAL</b>	<b>\$ 102,880.84</b>	

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
Badette Lacap, Senior Accountant		August 9, 2018
FINANCE & PROCUREMENT COMMITTEE	Signature	Date
CERTIFICATION OF FUNDS AVAILABLE:		
Hentrick M. Evaluck, Acting Chairman		August 9, 2018
FINANCE & PROCUREMENT COMMITTEE	Signature	Date



**GUAHAN  
ACADEMY  
CHARTER SCHOOL**

Department of Administration  
Division of Accounts  
AUG 10 2018  
4:40  
Customer Service

FUNCTION: Guahan Academy Charter School, Inc.  
AUGUST 2018 -ALLOTMENT REQUEST (Partial # 1)

INVOICE: GACS FY 2017-2018-08-2018-001

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.

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

**GUAHAN ACADEMY CHARTER SCHOOL**

**Allotment Summary**

**August 2018 - Allotment Request (Partial # 1)**

CLASSIFICATION	ACCOUNT CODE	TOTAL REQUESTED
PERSONNEL SALARIES	111	\$ 82,415.98
PERSONNEL BENEFITS	114	\$ 8,507.75
CONTRACTUAL	230	\$ 4,233.68
MATERIALS & SUPPLIES	240	\$ 1,895.10
WORKMAN'S COMP & GEN LIAB	270	\$ -
DRUG TESTING	271	\$ -
MISCELLANEOUS	290	\$ 1,270.00
POWER	361	\$ -
WATER	362	\$ -
TELEPHONE & WIRELESS	363	\$ 4,558.33
	<b>11021418</b>	<b>11021418</b>