



**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

July 23, 2018

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

 **GUAHAN ACADEMY
CHARTER SCHOOL**
Received by: *[Signature]*
Date: *7/26/18* Time: *10:48 am*

RECEIVED
7/26/18
JUL 26 2018
DEPT OF ADMINISTRATION
DIRECTOR'S OFFICE

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

Hafa Adai,

Upon review of the Guahan Academy Charter School Fiscal Year 2018 July 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 \$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 July 17, 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

Speaker Benjamin J.F. Cruz

JUL 26 2018

Time: *11:31* AM [] PM File No. _____
Received By: *[Signature]*

Attachment

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

RECEIVED
JUL 23 2018
GUAM EDUCATION BOARD
TIME *11:57* AM



JON J.P. FERNANDEZ
Superintendent of Education

**DEPARTMENT OF
EDUCATION
INTERNAL AUDIT OFFICE**

500 Mariner Avenue, Barrigada, Guam 96913
Telephone: (671) 300-1336
Fax: (671) 472-5001
Email: iao@gdoe.net



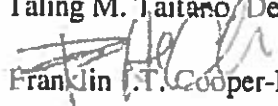
**FRANKLIN
COOPER-NURSE**
Chief Internal Auditor

July 23, 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: July 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 July 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 July 17, 2018, IAO received the Department of Administration's transmittal for GACS's July 2018 Partial #1 Allotment Request of \$14,000. The IAO was not able to validate GACS's submitted invoices due to incomplete procurement record as required by Title 5 of the Guam Code Annotated (GCA) §5249 and questionable source selection method. Financial audit services are generally procured through a Request for Proposal per 5 GCA §5216.

Table 1: July 2018 Allotment Request Invoices (Partial #1)

	A	B	C	(B-C) = D
Object Class	GACS Drawdown	Submitted Invoices	IAO's Validation	Difference
Contractual	\$ 14,000.00	\$ 14,000.00	\$ -	\$ 14,000.00
TOTAL	\$ 14,000.00	\$ 14,000.00	\$ -	\$ 14,000.00

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

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 July 2018 Partial #1 Validation

July 23, 2018

Page 2 of 4

\$3,410,538.70 of expenditures, leaving a balance of \$982,742.30 of unexpended funds. As of July 9, 2018, 711 students were enrolled in GACS. See Tables 2 and 3.

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)	\$ 146,651.61	\$ 146,651.61	\$ 122,061.36	\$ 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)	\$ 158,403.19	\$ 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
Total (FY 2018)	\$5,027,562.01	\$5,026,140.76	\$3,410,538.70	\$1,615,602.06

		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	(3,410,538.70)
GACS Maximum Budget	\$ 4,810,000	Remaining Funds	\$ 982,742.30

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
Average	75	90	92	89	74	86	81	55	40	32	29	32	62	57	893

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 fjcooper-nurse@gdoe.net.

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

Object Code and Class	Reference	Vendor	Invoice #	Invoice Date	Invoice Amount	Validated	Validated Amount
230 Contractual	AK-2.1	Burger Comer Maglian	18AU83397	5/31/2018	\$ 6,000.00	\$ 6,000.00	\$ -
230 Contractual	AK-2.2	Burger Comer Maglian	18AU85412	7/2/2018	\$ 8,000.00	\$ 8,000.00	\$ -
Total						\$	\$



Eddie Baza Calvo
Governor
Roy Teunoro
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

July 16, 2018

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

Handwritten: TWO TO I.A. E.C.S. 7/17/18

RE: Guahan Academy Charter School – July 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 July 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 Maase!

Sensaramente,

Edward Birn
Edward Birn
Director

*Rec'd 7/16/18
on 7/16/18*

Department of Education	
Office of the Superintendent	
C. No. <u>11018</u>	Date: <u>7/16/18</u>
Rec'd By: <u>Francis</u>	Signature: <u>[Signature]</u>
Print Name	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

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

PURPOSE:

July 2018 - Allotment Request (Partial # 1)

QTY	ACCOUNT NUMBER	AMOUNT	DESCRIPTION
190	5639A189964GA201-290	\$ 14,000.00	BURGER-COMER-MAGLIARI - Full Independent Audit Services for FY2017
TOTAL		\$ 14,000.00	

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 THE ATTACHED DOCUMENTS.

PREPARED BY: _____

APPROVING OFFICIAL:

Badette Lacap, Senior Accountant
FINANCE & PROCUREMENT COMMITTEE
CERTIFICATION OF FUNDS AVAILABLE:

Hentrick M. Evaluck, Acting Chairman
FINANCE & PROCUREMENT COMMITTEE

Signature

Date

Signature

July 9, 2018

Signature

July 9, 2018

Date



**GUAHAN
ACADEMY
CHARTER SCHOOL**

DATE: July 09, 2018

TO: Edward Birn
Director,
Department of Administration

FROM: Badette Lacap
Senior Accountant
Guahan Academy Charter School Incorporated

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

Attached are all relevant documents to support the July 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

GDOE IAO



**GUAHAN
ACADEMY
CHARTER SCHOOL**

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

INVOICE: GACS FY 2017-2018-07-2018-001

Department of Administration
Division of Accounts

AUTHORITY: Public Law 34-42

JUL 13 2018

Sham
Customer Service

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.

GUAHAN ACADEMY CHARTER SCHOOL

Allotment Summary

July 2018 - Allotment Request (Partial # 1)

CLASSIFICATION	ACCOUNT CODE	TOTAL REQUESTED
PERSONNEL SALARIES	111	\$ -
PERSONNEL BENEFITS	114	\$ -
CONTRACTUAL	230	\$ 14,000.00
MATERIALS & SUPPLIES	240	\$ -
WORKMAN'S COMP & GEN LIAB	270	\$ -
DRUG TESTING	271	\$ -
MISCELLANEOUS	290	\$ -
POWER	361	\$ -
WATER	362	\$ -
TELEPHONE & WIRELESS	363	\$ -
TOTAL		\$ 14,000.00

