



**DEPARTMENT OF EDUCATION
OFFICE OF THE SUPERINTENDENT**



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JON J.P. FERNANDEZ
Superintendent of Education

July 11, 2018

Speaker Benjamin J.F. Cruz

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

JUL 12 2018
Time: 3:11 [] AM [] PM File No. _____
Received By: *[Signature]*

Re: iLearn Academy Charter School: Fiscal Year 2018 July 2018 Allotment Request

Hafa Adai,

Upon review of the iLearn Academy Charter School (iLearn) Fiscal Year 2018 July 2018 Allotment Request by our Internal Audit Office (IAO) in collaboration with members of the iLearn, I am able to submit my verification of accuracy as required by Public Law 34 - 42, Chapter II, Part I, in its entirety.

Our IAO was able to validate \$221,134.12 of the invoiced total. Please see the attached verification report. This validation is based on actual invoices submitted to the IAO on July 2, 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
iLearn Academy Charter School

Erick Cortez
[Signature] 7/12/18

RECEIVED
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GUAM EDUCATION BOARD
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wa JUL 11 2018 14:54
DEPT OF ADMINISTRATION
DIRECTOR'S OFFICE



**DEPARTMENT OF EDUCATION
INTERNAL AUDIT OFFICE**

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**FRANKLIN
COOPER-NURSE**
Chief Auditor

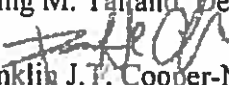
JON J.P. FERNANDEZ
Superintendent of Education

July 11, 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 iLearn Academy Charter School's Invoices

Hafa Adai,

The Guam Department of Education (GDOE) Internal Audit Office (IAO) has completed its review of iLearn Academy Charter School (iLearn)'s 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 2, 2018, IAO received the Department of Administration's transmittal for iLearn's July 2018 Allotment Request of \$221,134.12. IAO validated \$221,134.12 of the submitted invoices. See Table 1 and Appendix 1 for details.

Table 1: July 2018 Allotment Request

10th Drawdown	[A]	[B]	[C]
Object Class	iLearn's Draw down	Submitted Invoices	IAO's Validation
Personnel Salaries	\$ 46,569.67	\$ 46,569.67	\$ 46,569.67
Benefits	4,564.45	4,564.45	4,564.45
A+ Contract	170,000.00	170,000.00	170,000.00
Total	\$ 221,134.12	\$ 221,134.12	\$ 221,134.12

PL 34-42 provides \$6,500 for each student up to 500 students or a total of \$3,250,000. However, due to revenue shortfalls from tax cuts, iLearn's Fiscal Year (FY) 2018 appropriations were reduced by \$281,567¹ for a revised appropriation of \$2,968,433. 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*.

\$2,768,258.92 of expenditures, leaving an unexpended balance of \$200,174.08. As of June 28, 2018, 500 students were enrolled in iLearn. See Tables 2, 3, and 4 for details.

Table 2: FY 18 Validation Summary

Month	iLearn's Drawdown	Submitted Invoices	IAO's Validation
October	\$ 282,077.74	\$ 282,077.74	\$ 282,077.74
November	278,941.58	278,941.58	278,941.58
December	277,722.76	277,722.76	277,722.76
January	334,059.11	334,059.11	334,059.11
February	278,623.43	278,623.43	278,623.43
March	268,828.48	268,828.48	268,828.48
April	271,692.69	271,692.69	271,692.69
May	276,039.80	276,039.80	276,039.80
June	227,894.96	227,894.96	227,894.96
June (Supp. #1)	51,244.25	51,244.25	51,244.25
July	221,134.12	221,134.12	221,134.12
Total (FY 18)	\$ 2,768,258.92	\$ 2,768,258.92	\$ 2,768,258.92

Table 3: FY 18 General Fund Appropriation Reduction

Remaining Funds	
P.L. 34-42 Funding Per Student (\$6,500 x 500 Students)	\$ 3,250,000.00
Less: Appropriations Reduction (BBMR Circular 18-04)	(281,567.00)
Revised Budget	2,968,433.00
Less: IAO's Validation	(2,768,258.92)
Unexpended Balance	\$ 200,174.08

Table 4: FY 18 Enrollment Summary

SY	Month	Grade Level						Total
		K	1	2	3	4	5	
17-18	October 2017	107	101	99	65	68	60	500
17-18	November 2017	107	101	99	65	68	60	500
17-18	December 2017	107	101	99	65	68	60	500
17-18	January 2018	107	101	99	65	68	60	500
17-18	February 2018	108	99	99	67	68	59	500
17-18	March 2018	108	99	99	67	68	59	500
17-18	April 2018	108	99	99	67	68	59	500
17-18	May 2018	109	99	99	67	68	59	501
17-18	June 2018	78	115	90	96	60	61	500
SY 17-18 Average		104	102	98	69	67	60	500

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 ftcooper-nurse@gdoe.net.

Appendix 1: iLearn July 2018 Invoice Details

Month	Type of Request	Object Code & Class	Ref	Vendor	Description	Invoice Number	Invoice Date	Invoice Amount	Validated Amount
July	Monthly	111 Personnel	K-2.1	Sanford Technology Group LLC	PPE 06/29/18	199334-04J	6/29/2018	46,569.67	46,569.67
July	Monthly	113 Benefits	K-3.1	Sanford Technology Group LLC	PPE 06/29/18	199334-04J	6/29/2018	4,564.45	4,564.45
July	Monthly	233 Classroom Space and Office Rental	K-4.1	Saint Paul Christian School	A+ Ed. Infrastructure	-	July 2018	170,000.00	170,000.00
Total								221,134.12	221,134.12