

# Guam Department of Education



## Transition Plan Status Update—January 2024

In October 2023, U.S. Department of Education (ED) removed the third-party fiduciary agent (TPFA) requirement for the Guam Department of Education (GDOE). The GDOE Internal Audit Office (IAO) will provide monthly status updates on ED grants that will cover financials, employee time tracking, procurement, property management and internal controls. The status updates are meant to provide a snapshot of GDOE’s operational status as it related to ED grants and general observations to provide a level of assurance as it pertains to compliance with laws, rules, regulations, and grant agreements.

### Financials

#### Grant Status Report

As of January 29, 2024 the total available ED grant balance is \$244M. Requisitions in process totaled \$71M.

#### Grant Status Report as of January 29, 2024

Grant Name	Budget	Encumbrances	Requisitions	Actual Expenditures	Available Budget	Available %	Obligated By
2021 American Rescue Plan - ARP	\$ 286,940,627	\$ 15,303,135	\$ 67,092,920	\$ 35,075,206	\$ 169,469,366	59%	9/30/2024
FY21 ARP Individuals with Disability	3,385,571	29,163	-	551,769	2,804,640	83%	9/30/2023
FY20 Project ESF-SEA	41,521,997	-	-	41,521,997	-	0%	9/30/2022
FY21 Project ESF-SEA	110,563,287	6,196,051	-	103,974,331	392,905	0%	9/30/2023
FY20 Comprehensive Literacy State De	320,698	-	-	320,698	-	0%	9/30/2022
FY21 Comprehensive Literacy state De	324,074	40,026	111,079	136,626	36,344	11%	9/30/2023
FY22 Comprehensive Literacy State De	391,641	42,000	100,428	16,703	232,510	59%	9/30/2024
FY20 Project ETASLDS (GOSDV)	1,123,441	8,743	626,476	490,882	(2,661)	0%	2/28/2023
FY21 Project ETASLDA (GOSDV)	703,980	-	255,996	127,455	320,529	46%	2/28/2024
FY22Project ETASLDA (GOSDV)	709,102	364	110,528	18,506	579,704	82%	2/28/2024
FY20 Consolidated Grant - RLIS	32,326,316	-	-	32,326,316	-	0%	9/30/2022
FY21 Consolidated Grant - RLIS	32,602,812	1,267,214	-	31,967,503	(631,905)	-2%	9/30/2023
FY22 Consolidated Grant - RLIS	35,902,226	4,354,019	2,326,565	4,800,883	24,420,760	68%	9/30/2024
FY23 Consolidated Grant - RLIS	35,768,085	1,121,095	353,527	787,357	33,506,105	94%	9/30/2025
FY20 Sped State Grant - B	16,876,737	-	-	16,876,737	-	0%	9/30/2022
FY21 Sped State Grant - B	16,960,627	1,030,987	-	16,270,136	(340,495)	-2%	9/30/2023
FY22 Sped State Grant - B	17,234,421	762,134	332,824	5,569,470	10,569,994	61%	9/30/2024
FY20 Special Education Part C	1,544,042	-	-	1,544,042	-	0%	9/30/2022
FY21 Special Education Part C	2,368,661	83,747	-	2,061,882	223,032	9%	9/30/2023
FY22 Special Education Part C	1,544,042	25,592	150,300	392,713	975,437	63%	9/30/2024
FY21 Project Hita Para Mona	250,000	-	-	249,358	642	0%	10/31/2021
FY22 Project Hita Para Mona	250,000	5,944	-	163,277	80,779	32%	10/31/2022
FY23 Project Hita Para Mona	250,000	62,763	-	19,187	168,050	67%	10/31/2023
FY22 Bipartisan Safer Communities	1,681,978	-	-	69,830	1,612,148	96%	9/30/2025
<b>Totals</b>	<b>\$641,544,365</b>	<b>\$30,332,977</b>	<b>\$71,460,642</b>	<b>\$295,332,864</b>	<b>\$244,417,882</b>	<b>38%</b>	

## Financials cont.

### Summary of Grant Expenditures

Grant	Salaries	Benefits	Travel	Contractual	Supplies	Equipment	Capital	Total Expenditures
Comprehensive Literacy State De	\$ 861	\$ 439	\$ -	\$ -	\$ 4,190	\$ -	\$ -	\$ 5,490
Project ETASLDS (GOSDV)	\$ 20,857	\$ 6,847	\$ 14,526	\$ 200	\$ -	\$ -	\$ -	\$ 42,430
Consolidated Grant	\$4,022,511	\$1,424,960	\$ 94,854	\$ 1,362,493	\$ 225,226	\$ 53,420	\$ -	\$ 7,183,464
Education Stabilization Fund II	\$ -	\$ 188	\$ -	\$ 221,189	\$ 1,205,002	\$ 252,842	\$ -	\$ 1,679,221
American Rescue Plan	\$ 676,898	\$ 190,743	\$ -	\$ 1,276,680	\$ 335,304	\$ 143,391	\$ -	\$ 2,623,016
Special Education Part C	\$ 274,779	\$ 111,381	\$ 753	\$ 25,722	\$ 33,708	\$ 7,120	\$ -	\$ 453,463
Special Education Part B	\$3,641,422	\$ 1,525,278	\$ 13,863	\$ 415,694	\$ 22,443	\$ 1,136	\$ 241,990	\$ 5,861,826
ARP Individuals with Disabilities	\$ -	\$ -	\$ -	\$ 180,814	\$ 177,858	\$ 193,097	\$ -	\$ 551,769
Project Hita Para Mona	\$ 9,398	\$ 3,788	\$ 11,487	\$ 17,237	\$ -	\$ -	\$ -	\$ 41,910
<b>Grand Total</b>	<b>\$8,646,726</b>	<b>\$ 3,263,624</b>	<b>\$ 135,483</b>	<b>\$ 3,500,028</b>	<b>\$ 2,003,730</b>	<b>\$ 651,006</b>	<b>\$ 241,990</b>	<b>\$ 18,442,588</b>

#### *Request for Reimbursement / Drawdown Requests*

From September 2023 to January 29, 2024, GDOE submitted drawdown requests totaling \$16M, of which the IAO approved \$14.7M for reimbursement. The TPFAs processed their final drawdown request on October 24, 2023. The G5 banking information was updated to reflect GDOE's bank account on November 16, 2023 giving GDOE direct access to draw USED grant funds for vendor payments and payroll reimbursements. GDOE prepared its first drawdown request absent the TPFAs on October 27, 2023.

To maintain internal control in the drawdown process, the IAO assumed the monitoring role formerly held by the TPFAs reviewing drawdown requests for allowability and compliance. When IAO staff identify discrepancies, a revised drawdown with IAO's adjustments is submitted for Business Office's review and concurrence. Thus far, discrepancies include requests to drawdown for utility payments, which exceeded approved federal utility allotted budget; drawdown identified under incorrect grant; and duplicate drawdown requests.

### Summary of Reimbursements

Grant	Contractual	Supplies	Equipment	Travel	Capital	Personnel	Total
American Rescue Plan	\$ 1,361,850	\$ 431,552	\$ 23,488	\$ -	\$ -	\$ 421,442	\$ 2,238,332
ESF II	\$ 994,133	\$ 910,472	\$ 818,224	\$ -	\$ -	\$ -	\$ 2,722,829
Consolidated Grants	\$ 2,461,890	\$ 491,138	\$ 43,300	\$ 29,528	\$ -	\$ 2,924,149	\$ 5,950,004
SPED Part B	\$ 423,677	\$ 26,556	\$ 30,937	\$ 8,332	\$ -	\$ 2,701,216	\$ 3,190,717
SPED Part C	\$ 27,571	\$ 49,030	\$ 7,120	\$ 1,464	\$ -	\$ 267,823	\$ 353,008
SPED ARP	\$ 190,164	\$ 23,301	\$ 3,347	\$ -	\$ -	\$ -	\$ 216,812
SPED Project Hita Para Mona	\$ 1,719	\$ -	\$ -	\$ 6,819	\$ -	\$ -	\$ 8,537
SLDS - RP&E	\$ 13,980	\$ -	\$ 32,250	\$ 10,945	\$ -	\$ 27,417	\$ 84,592
<b>Grand Total</b>							<b>\$ 14,764,832</b>

**GDOE Request - Approved Drawdowns**

<b>GDOE Drawdown Request</b>	<b>GDOE Requested Drawdown Amount</b>	<b>Approved Drawdown Amount</b>	<b>Variance</b>
101623FG (Payroll Reimbursement)	\$ 1,107,379	\$ 1,107,379	\$ -
TPFA-2023-00023	\$ 1,785,489	\$ 1,785,489	\$ -
TPFA-2023-00025	\$ 748,555	\$ 748,555	\$ -
DOEAM001	\$ 82,239	\$ 82,239	\$ -
DOEAM002	\$ 376,663	\$ 376,663	\$ -
DOEAM003	\$ 1,235,323	\$ 45,206	\$ (1,190,117)
DOEAM004	\$ 588,065	\$ 588,065	\$ -
DOEAM005	\$ 1,010,231	\$ 986,565	\$ (23,666)
DOEAM006	\$ 1,517,807	\$ 1,189,641	\$ (328,165)
DOEAM007	\$ 209,082	\$ 209,082	\$ -
DOEAM008	\$ 358,357	\$ 332,875	\$ (25,482)
DOEAM009	\$ 736,487	\$ 736,487	\$ -
DOEAM010	\$ 97,075	\$ 97,075	\$ -
DOEAM011	\$ 705,234	\$ 679,768	\$ (25,466)
DOEAM013	\$ 295,813	\$ 295,166	\$ (647)
DOEAM014	\$ 160,805	\$ 160,805	\$ -
DOEAM015	\$ 109,103	\$ 109,103	\$ -
DOEPR001 (Payroll Reimbursement)	\$ 4,115,455	\$ 4,115,455	\$ -
DOEPR002 (Payroll Reimbursement)	\$ 232,757	\$ 232,757	\$ -
DOEPR003 (Payroll Reimbursement)	\$ 886,457	\$ 886,457	\$ -
<b>Totals</b>	<b>\$ 16,358,375</b>	<b>\$ 14,764,832</b>	<b>\$ (1,593,543)</b>

Variances identified were as follows:

- GDOE received USED approval to reprogram \$22.3M of ARP funds for FY22-23 utilities costs, which has since been exhausted. As such, \$1,632,948 in utilities costs was removed from drawdown requests DOE003, 005, & 006.
- \$1,049.75 was removed from DOEAM008 drawdown request as it had been previously drawdown & paid in February 2023. Additionally, \$24,431.94 was removed as the funding source of the expenditure needed to be corrected.
- \$25,466 was removed from DOEAM011 for further IAO review. Review has since been completed and draw-down amounts will be processed accordingly.
- \$215.65 from DOEAM013 was identified as a duplicate delivery. Additionally, \$431.42 was removed as the incorrect amount was transferred into the GDOE system inflating the PO amount and causing duplicate deliveries & payments.

**Drawdown Process Timeline**

From September 2023 to January 2024, drawdowns processed without the TPFA averaged 15 day turn around from the date of GDOE’s request to funds deposited into GDOE’s bank account. Initial delays on processing drawdowns were due to the time taken to link the G5 to GDOE’s bank account.

## Financial cont.

### Drawdown Process Timeline

GDOE Drawdown Request	Submitted for Review	Approved	Processed in G5	Funds Received	Vendors Paid	# of Days to Process
TPFA-2023-00023	10/4/2023	10/9/2023	10/11/2023	10/12/2023	10/14/2023	7
101623FG (Payroll)	10/16/2023	10/16/2023	10/16/2023	10/17/2023	-	0
TPFA-2023-00025	10/19/2023	10/23/2023	10/24/2023	10/25/2023	10/26/2023	5
DOEAM001	10/27/2023	12/11/2023	12/11/2023	12/12/2023	11/6/2023	45
DOEAM002	12/6/2023	12/12/2023	12/13/2023	12/14/2023	11/20/2023	7
DOEAM003	12/6/2023	12/12/2023	12/13/2023	12/14/2023	12/15/2023	7
DOEAM004	12/6/2023	12/12/2023	12/13/2023	12/14/2023	12/15/2023	7
DOEAM005	12/6/2023	12/12/2023	12/13/2023	12/14/2023	12/15/2023	7
DOEAM006	12/6/2023	12/12/2023	12/13/2023	12/14/2023	12/15/2023	7
DOEAM007	12/6/2023	1/2/2023	1/2/2024	1/3/2024	1/4/2024	27
DOEAM008	12/15/2023	1/2/2023	1/2/2024	1/3/2024	1/4/2024	18
DOEAM009	12/15/2023	1/2/2023	1/2/2024	1/3/2024	1/4/2024	18
DOEAM010	12/27/2023	1/8/2024	1/8/2024	1/9/2024	12/18/2023	12
DOEAM011	12/27/2023	1/19/2024	1/22/2024	1/24/2024	1/26/2024	26
DOEAM013	1/5/2024	1/22/2024	1/22/2024	1/24/2024	1/26/2024	17
DOEAM014	1/12/2024	1/22/2024	1/22/2024	1/24/2024	1/26/2024	10
DOEAM015	1/12/2024	1/22/2024	1/22/2024	1/24/2024	1/12/2024	10
DOEPR001 (Payroll)	12/28/2023	12/29/2023	12/29/2023	1/2/2024	-	1
DOEPR002 (Payroll)	1/12/2024	1/19/2024	1/23/2024	1/23/2024	-	11
DOEPR003 (Payroll)	1/12/2024	1/19/2024	1/23/2024	1/23/2024	-	11

## Employee Time Tracking

As of January 29, 2024, pending payroll reimbursements totaled \$14M across all ED grants.

It is imperative that GDOE dedicate staff to review and process payroll reimbursements to ensure that funds are timely reimbursed. Specifically, respective federal programs and project staff must be accountable for the submission of complete and appropriate documentation for reimbursement.

Additionally, the payroll reimbursement SOP is undergoing revisions to reflect the removal of the TPFA.

Grant	Amount
Consolidated Grant	\$ 6,249,422
Bi-Partisan	\$ 44,168
SPED B	\$ 3,326,242
SPED C	\$ 106,185
CLSD	\$ 867
GOSDV	\$ 324
Project Hita	\$ 54,644
ESF	\$ 759,046
ARP	\$ 3,474,303
SPED ARP	\$ 37,928
<b>Total Receivable</b>	<b>14,053,128</b>

## Property Management

### School Year (SY) 2023-2024 Annual Inventory Inspection

The SY23-24 inventory inspection began on January 2, 2024 and is scheduled to be completed by the end of May 2024. The inventory will cover 91 locations to include 41 GDOE schools, 25 GDOE divisions and offices, 3 charter schools, and 25 private non-public schools.

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## Procurement

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### ***Requisitions in Progress***

As of January 29, 2024, ED funded requisitions in progress totaled \$65M.

<b>Grant</b>	<b>Contractual</b>	<b>Supplies</b>	<b>Equipment</b>	<b>Total</b>
Comprehensive Literacy State Development	\$ 34,340	\$ 8,537	\$ -	\$ 42,877
Project ETASLDA (GOSDV)	\$ 993,000	\$ -	\$ -	\$ 993,000
Consolidated Grant	\$ 1,443,532	\$ 378,477	\$ 106,649	\$ 1,928,658
American Rescue Plan	\$ 61,432,660	\$ 624,526	\$ -	\$ 62,057,187
Consolidated Grant	\$ 29,172	\$ -	\$ -	\$ 29,172
Special Education Part C	\$ -	\$ 300	\$ -	\$ 300
Special Education Part B	\$ 132,000	\$ 1,800	\$ 150,000	\$ 283,800
<b>Grand Total</b>	<b>\$ 64,064,704</b>	<b>\$ 1,013,641</b>	<b>\$ 256,649</b>	<b>\$ 65,334,994</b>

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## Internal Controls

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### ***Staffing of Critical Positions***

Franklin Cooper-Nurse returned to his position as GDOE Chief Auditor after his detail assignment as the Deputy of Finance and Administrative Services ended on September 30, 2023. The Deputy Superintendent of Finance and Administrative Services position was filled by Joann Camacho in October 2023 and the Financial Affairs Division hired a new Comptroller as of January 29, 2024. Lastly, an Internal Audit staff was detailed as the Acting Federal Programs Administrator in April 2023 and the detail assignment has since expired. The GDOE must determine a long term solution to address the Federal Programs Administrator position.

### ***Internal Audit Advisory to Financial Affairs Division***

On January 24, 2024, the IAO issued an advisory memo to the Superintendent and Guam Education Board regarding the reporting and accounting of USEd funds in response to the Financial Affairs Division's request for assistance in preparing and reporting on federal grants. The IAO noted that the Financial Affairs Division is responsible for federal grant accounting and reporting and that the IAO can only provide limited assistance in order to maintain independence of operations. The IAO provided notice for the Financial Affairs Division to take action on expiring grants to avoid the potential return of federal grant funds.

### ***GDOE Updated Organizational Chart***

The IAO is currently drafting the updated organizational chart which describes the GDOE staff which are replicating the TPFA roles and responsibilities.

### ***Drawdown Review***

The IAO has flagged discrepancies totaling \$1.6M with the GDOE's request for reimbursement since assuming the review of drawdowns, including duplicate requests. This represents the highest amount identified as not reimbursed when compared to the reviews from the last fiscal year. As a result, the Accounts Payable Supervisor has assigned accountants to review the GDOE's request for reimbursements for completeness and accuracy prior to submitting the requests to the IAO for review and drawdown.