

Guam Department of Education



USEd GRMSD Status Update—March 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 March 31, 2024 the total available ED grant balance is \$203M. Requisitions in process totaled \$105M. Based on the system, there are negative grant budgets for Project Hita Para Mona, ESF II, and SPED Part B. These negative balances are due to current payroll charges to incorrect grant year and purchase orders that have not been closed following the transfer of expenditures between grants. GDOE must ensure that the system data is accurate and should have controls in place to restrict grant balances from reporting as negative.

Table 1: Grant Status Report as of March 31, 2024

Grant Name	Budget	Encumbrances	Requisitions	Actual Expenditures	Available Budget	Available %	Obligated By
FY21 Project Hita Para Mona	250,000	-	-	355,913	(105,913)	-42%	10/31/2021
FY20 Project ESF-SEA	41,521,997	-	-	41,521,997	-	0%	9/30/2022
FY22 Project Hita Para Mona	250,000	1,260	-	167,961	80,779	32%	10/31/2022
FY21 ARP Individuals with Disability	3,385,571	25,217	-	3,360,354	-	0%	9/30/2023
FY21 Project ESF-SEA	110,563,287	4,894,557	-	105,734,023	(65,293)	0%	9/30/2023
FY21 Consolidated Grant - RLIS	32,602,812	1,026,295	-	31,561,870	14,647	0%	9/30/2023
FY21 Sped State Grant - B	16,960,627	1,019,119	-	16,277,934	(336,426)	-2%	9/30/2023
FY21 Special Education Part C	2,358,661	36,372	-	2,109,257	213,032	9%	9/30/2023
FY23 Project Hita Para Mona	250,000	115,484	-	66,465	68,050	27%	10/31/2023
FY20 Project ETASLDS (GOSDV)	1,123,441	8,743	607,990	490,882	15,826	1%	2/28/2024
FY21 Project ETASLDA (GOSDV)	703,980	-	255,996	151,581	296,403	42%	2/28/2024
FY22 Project ETASLDA (GOSDV)	709,102	364	129,014	18,506	561,218	79%	2/28/2024
FY23 Project ETASLDA (GOSDV)	713,396	-	-	-	713,396	100%	2/28/2024
2021 American Rescue Plan - ARP	286,940,627	20,998,753	97,352,033	40,004,450	128,585,391	45%	9/30/2024
FY21 Comprehensive Literacy state De	324,074	50,953	1,306	169,759	102,056	31%	9/30/2024
FY22 Comprehensive Literacy State De	391,641	42,000	56,600	18,870	274,171	70%	9/30/2024
FY23 Comprehensive Literacy State De	324,074	-	66,608	-	257,466	79%	9/30/2024
FY22 Consolidated Grant - RLIS	34,225,878	4,737,081	4,231,609	8,959,687	16,297,501	48%	9/30/2024
FY22 Sped State Grant - B	17,234,421	726,212	358,383	8,979,969	7,169,857	42%	9/30/2024
FY22 Special Education Part C	1,544,042	25,128	88,290	661,003	769,621	50%	9/30/2024
FY23 Consolidated Grant - RLIS	35,786,818	1,266,600	2,044,089	1,502,487	30,973,642	95%	9/30/2025
FY23 Special Education Part C	1,679,977	-	100,000	-	1,579,977	94%	9/30/2025
FY22 Bipartisan Safer Communities	1,681,978	-	-	149,515	1,532,463	91%	9/30/2025
Totals	591,526,404	34,974,141	105,291,917	262,262,483	188,997,863	32%	

Financials cont.

Table 2: Summary of March 2024 Grant Expenditures

Grant	Salaries	Benefits	Travel	Contractual	Supplies	Equipment	Utilities	Total Expenditures
American Rescue Plan	\$ 320,100	\$ 45,607	\$ -	\$ 904,967	\$ 233,121	\$ 11,284	\$ 1,898,363	\$ 3,413,441
ARP Individuals with Disabilities	\$ -	\$ -	\$ -	\$ -	\$ 591	\$ -	\$ -	\$ 591
Bipartisan Safer Communities Act	\$ 22,795	\$ 7,436	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 30,231
Consolidated Grant	\$ 877,247	\$ 360,980	\$ 64,978	\$ 417,724	\$ 24,901	\$ -	\$ -	\$ 1,745,829
Comprehensive Literacy State Dev	\$ 574	\$ 293	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 867
Education Stabilization Fund II	\$ -	\$ -	\$ -	\$ 3,702	\$ 252,665	\$ 8,057	\$ -	\$ 264,423
Project ETASLDS (GOSDV)	\$ 4,224	\$ 1,687	\$ 3,712	\$ -	\$ -	\$ -	\$ -	\$ 9,623
Project Hita Para Mona	\$ 2,940	\$ 1,032	\$ -	\$ 42,782	\$ -	\$ -	\$ -	\$ 46,754
Special Education Part B	\$ 903,264	\$ 385,424	\$ 36,373	\$ 53,076	\$ -	\$ -	\$ -	\$ 1,378,137
Special Education Part C	\$ 64,243	\$ 31,130	\$ 994	\$ 1,683	\$ 150	\$ -	\$ -	\$ 98,201
Grand Total	\$ 2,195,387	\$ 833,589	\$ 106,057	\$ 1,423,934	\$ 511,427	\$ 19,341	\$ 1,217,363	\$ 6,988,097

Request for Reimbursement / Drawdown Requests

From the last reporting period (February 29) to March 31, 2024, the IAO received the Business Office's requests to drawdown a total of \$12,441,161. After conducting its review, the IAO was able to approve \$12,393,861 of the drawdown requests submitted. See Tables 3 and 4.

Table 3: Summary of Reimbursements

Grant	Payroll	Travel	Contractual	Supplies	Equipment	Utilities	Total Expenditures
American Rescue Plan	\$ 190,080	\$ -	\$ 1,981,909	\$ 124,326	\$ 29,138	\$ 7,122,820	\$ 9,448,273
Comprehensive State Literacy Development	\$ -	\$ -	\$ 30,000	\$ 1,919	\$ -	\$ -	\$ 31,919
Consolidated Grants	\$ 1,760,701	\$ 18,106	\$ 311,801	\$ 4,140	\$ -	\$ -	\$ 2,094,748
Education Stabilization Fund II	\$ -	\$ -	\$ -	\$ 85,800	\$ -	\$ -	\$ 85,800
Project ETASLDS (GOSDV)	\$ 13,215	\$ 3,712	\$ -	\$ -	\$ -	\$ -	\$ 16,927
Project Hita Para Mona	\$ -	\$ -	\$ 51,962	\$ -	\$ -	\$ -	\$ 51,962
SPED Part B	\$ 576,514	\$ 8,586	\$ 24,709	\$ -	\$ -	\$ -	\$ 609,809
SPED Part C	\$ 51,821	\$ 55	\$ 2,547	\$ -	\$ -	\$ -	\$ 54,424
Grand Total	\$ 2,592,330	\$ 30,459	\$ 2,402,928	\$ 216,185	\$ 29,138	\$ 7,122,820	\$ 12,393,861

Financials cont.

Table 4:GDOE Request - Approved Drawdowns

GDOE Drawdown Request	GDOE Requested Drawdown Amount	Approved Drawdown Amount	Variance
DOEPR011 (Payroll Reimbursement)	\$ 701,922	\$ 701,922	\$ -
DOEPR012 (Payroll Reimbursement)	\$ 593,813	\$ 593,813	\$ -
DOEPR014 (Payroll Reimbursement)	\$ 635,599	\$ 635,599	\$ -
DOEPR015 (Payroll Reimbursement)	\$ 660,997	\$ 660,997	\$ -
DOEAM029	\$ 240,353	\$ 193,053	\$ (47,300)
DOEAM031	\$ 236,320	\$ 236,320	\$ -
DOEAM032	\$ 199,394	\$ 199,394	\$ -
DOEAM033	\$ 638,800	\$ 638,800	\$ -
DOEAM034	\$ 307,690	\$ 307,690	\$ -
DOEAM035	\$ 238,260	\$ 238,260	\$ -
DOEAM036	\$ 2,462	\$ 2,462	\$ -
DOEAM038	\$ 321,527	\$ 321,527	\$ -
DOEAM039	\$ 112,634	\$ 112,634	\$ -
DOEAM045	\$ 282,815	\$ 282,815	\$ -
DOEAM046	\$ 29,513	\$ 29,513	\$ -
DOEAM047	\$ 116,242	\$ 116,242	\$ -
DOEAM050	\$ 1,177,550	\$ 1,177,550	\$ -
DOEAM051	\$ 2,277,500	\$ 2,277,500	\$ -
DOEAM052	\$ 1,138,191	\$ 1,138,191	\$ -
DOEAM053	\$ 971,716	\$ 971,716	\$ -
DOEAM058	\$ 1,557,863	\$ 1,557,863	\$ -
Totals	\$ 12,441,161	\$ 12,393,861	\$ (47,300)

Variances identified were as follows:

- Drawdown request DOEAM029 included a **\$47,300** expenditure tied to the expired FY 2021 SPED Part C grant.

After identifying the variance, the IAO provided notice to the Business Office, on March 19th of IAO's inability to drawdown the questioned expenditure. The Business Office concurred with IAO's findings and IAO was able to complete drawdown of grant funds for allowable expenditures.

Financial cont.

Drawdown Process Timeline

From the last reporting period to March 31, 2024, drawdowns processed by the IAO averaged an 11-day turnaround from the date of GDOE’s request to the date drawdowns were prepared in G5/G6. See Table 4.

Table 5: Drawdown Process Timeline

GDOE Drawdown Request	Submitted for IAO Review	Approved by IAO	Processed in G6	Funds Received	# of Days for IAO Process
DOEPR011 (Payroll)	3/6/2024	3/8/2024	3/8/2024	3/9/2024	2
DOEPR012 (Payroll)	3/12/2024	3/19/2024	3/19/2024	3/20/2024	7
DOEPR014 (Payroll)	3/26/2024	4/5/2024	4/5/2024	4/6/2024	10
DOEPR015 (Payroll)	3/26/2024	4/5/2024	4/5/2024	4/6/2024	10
DOEAM029	3/6/2024	3/19/2024	4/1/2024	4/2/2024	26
DOEAM031	3/6/2024	3/19/2024	3/19/2024	3/20/2024	13
DOEAM032	3/6/2024	3/19/2024	3/19/2024	3/20/2024	13
DOEAM033	3/6/2024	3/19/2024	3/19/2024	3/20/2024	13
DOEAM034	3/6/2024	3/19/2024	3/19/2024	3/20/2024	13
DOEAM035	3/8/2024	3/19/2024	3/19/2024	3/20/2024	11
DOEAM036	3/8/2024	3/19/2024	3/19/2024	3/20/2024	11
DOEAM038	3/20/2024	3/28/2024	3/28/2024	3/29/2024	8
DOEAM039	3/20/2024	3/28/2024	3/28/2024	3/29/2024	8
DOEAM045	3/26/2024	4/9/2024	4/9/2024	4/10/2024	14
DOEAM046	3/26/2024	4/9/2024	4/9/2024	4/10/2024	14
DOEAM047	4/2/2024	4/9/2024	4/9/2024	4/10/2024	7
DOEAM050	3/28/2024	4/9/2024	4/9/2024	4/10/2024	12
DOEAM051	3/28/2024	4/9/2024	4/9/2024	4/10/2024	12
DOEAM052	3/28/2024	4/9/2024	4/9/2024	4/10/2024	12
DOEAM053	4/2/2024	4/9/2024	4/9/2024	4/10/2024	7
DOEAM058	4/2/2024	4/9/2024	4/9/2024	4/10/2024	7

Employee Time Tracking

As of March 31, 2024, pending payroll reimbursement totaled \$13.5M.

The Payroll Reimbursement Lead met with Consolidated Grant staff to provide guidance on their roles and responsibilities with compliance and validation and submission of bi-weekly certifications. School Administrators were also informed of the transition of the generation and distribution of bi-weekly certifications back to Curriculum and Instruction Office.

The Payroll Reimbursement Lead has been in communication with the C&I Office to address recent delays in the timeliness of review and validation. It is important to ensure timely submissions to avoid back logs and timely reimbursements.

Table 6: Pending Payroll Reimbursement

Grant	Amount
Consolidated Grant	\$ 4,776,885
Bipartisan Safer Communities Act	\$ 15,184
Special Education Part B	\$ 3,863,171
Special Education Part C	\$ 102,967
Comprehensive Literacy State Dev	\$ 3,033
Project ETASLDS (GOSDV)	\$ 3,279
Project Hita Para Mona	\$ 64,574
Education Stabilization Fund II	\$ 752,000
American Rescue Plan	\$ 3,842,384
ARP Individuals with Disabilities	\$ 37,928
Total	\$ 13,461,406

Employee Time Tracking cont.

The Payroll Reimbursement Lead has been coordinating with the Human Resources and Budget Office to ensure that the correct General Ledger fund accounts are established and that HR updates the fund source for employee’s salaries.

The Payroll Reimbursement Lead has also followed-up with HR on addressing the movement of the Federal Programs Administrator from the Federal Programs Office and an update of his fund account. HR recently provided the Personnel Action to ensure that the funding source was changed. However, the effective date reflected didn’t match the period of the removal of the Federal Programs Administrator by former Acting Superintendent, Judith Won Pat. The time gap will need to be addressed to ensure that the CG is credited back the funds that were charged and not reimbursed by the grant. The expenditures remain unreimbursed pending an adjustment to another fund source since the removal of the CG oversight.

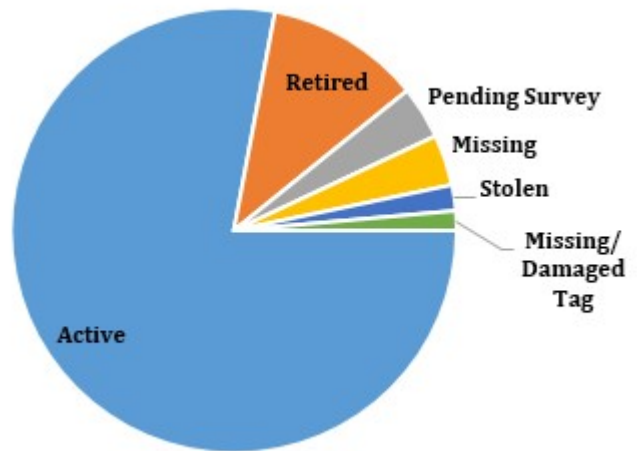
Property Management

School Year 2023-2024 Inventory Inspection

GDOE’s total inventory count of ED funded assets as of March 31, 2024 totaled 97,397. The Property Management Office will continue to inspect assets received up to the end of School Year 2023-2024, or May 24,2024. As of March 31, 2024, 59,198 assets have been inspected.

Status of assets inspected as of March 31, 2024:

- 46,156 (78%) are active assets
- 2,183 (13%) are missing
- 2,272 (4%) are pending survey
- 6,642 (11%) were retired
- 840 (1%) have missing/damaged asset tags
- 1,105 (2%) were reported stolen



Procurement

Requisitions in Progress

As of March 31, 2024, ED funded requisitions in progress totaled \$105M.

Table 7: Requisitions in Progress

Grant	Contractual	Supplies	Equipment	Total
American Rescue Plan	\$ 86,107,239	\$ 10,007,127	\$ 1,237,666	\$ 97,352,033
Consolidated Grant	\$ 3,445,878	\$ 2,063,203	\$ 766,617	\$ 6,275,698
Comprehensive Literacy State Development	\$ 107,201	\$ 17,313	\$ -	\$ 124,513
Project ETASLD (GOSDV)	\$ 993,000	\$ -	\$ -	\$ 993,000
Special Education Part B	\$ 358,383	\$ -	\$ -	\$ 358,383
Special Education Part C	\$ 187,933	\$ 357	\$ -	\$ 188,290
Grand Total	\$ 91,199,634	\$ 12,088,000	\$ 2,004,283	\$ 105,291,917

Internal Controls

Local Funds Reimbursement

GDOE is restricted by local statute from using local appropriations for federal expenditures on a reimbursement basis, unless specific authorization is provided by Guam Law or grant agreement. Per Guam Public Law 37-42 FY 2024 Appropriations Act, funds appropriated to GDOE in accordance with the appropriations in this Act shall not be used to pay for federally-funded program activities and expenditures, unless such payment is specifically authorized by Guam statute or unless such payment is pursuant to grants that require local expenditures be made prior to receiving federal reimbursement. The IAO identified \$61K in federal expenditures that were paid with local funds. The details of these expenditures will be reported to the Guam Legislature, the Governor of Guam, and the Office of Public Accountability and cite the authority to expend local funds for federal programs. The IAO notes that the local funds were subsequently reimbursed with ARP for the replacement of air conditioning units at a GDOE elementary school.

IAO Charter

The IAO's updated Audit Charter was approved on March 8, 2024 and signed by the Chief Auditor, Superintendent, and the GEB Audit Committee. The Audit Charter reflects the IAO's updated organizational chart for the Chief Auditor to report functionally to the GEB Audit Committee and administratively to the Superintendent.

Drawdown Review

Absent the TPFAs, the IAO has retained the responsibility for reviewing drawdowns requests from the Business Office prior to the drawdown of funds from the G5. This process will be permanent post-TPFA to continue to ensure that funds drawn are for allowable uses. The SOP was drafted and is pending approvals from the Superintendent and GEB Audit Committee.

REP Status

As of March 31, 2024, 17 (12%) REP sections remain pending. The pending sections are relative to:

1. An updated Payroll Reimbursement SOP
2. Responses to IAO's follow up for corrective actions and organizational structure.
3. SPED Training on Kronos and proof of use for 6-month period
4. Execution of historical financial data migration plan
5. IAO's 2024 MIC process
6. Updated Consolidated Grant procedures

Financial Audit Status

GDOE leadership has continually requested extensions to submit required financial information to external financial auditors Ernst & Young, LLC (E&Y) since December 2023, which has significantly delayed this year's audit and poses great risk to the untimely audit issuance of the overall financial statements of the Government of Guam. Given the current stage, E&Y has indicated that the earliest target date for the GDOE FY 2023 audit issuance will be September or October of 2024, which equates to six months past its contractual agreement and approximately four months past the statutory requirement.