



**GUAM PUBLIC SCHOOL SYSTEM  
OFFICE OF THE SUPERINTENDENT**

P.O. Box DE  
Hagåtña, Guam 96932  
Telephone: (671) 475-0457/0515  
Fax: (671) 472-5003  
Email: nbshafer@gdoe.net  
[www.gdoe.net](http://www.gdoe.net)



**Nerissa Bretania-Shafer, Ph.D.**  
Superintendent of Education

January 28, 2009

29 PM 4:52  
~  
~

*Honorable Judith T. Won Pat, Ed. D.*  
*Thirtieth Guam Legislature*  
*253 West O'Brien Dr.*  
*Hagåtña, Guahan 96910*

Dear Speaker Won Pat:

**Subject: Federal Funding Report**

*Buenas Yan Hafa Adai!* Pursuant to Public Law 29-113, Chapter VI, section 26(b), the itemized payment(s) of disallowed cost of \$189,921.67 is herewith submitted.

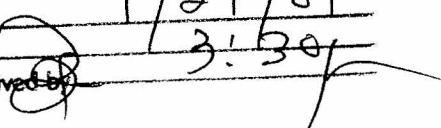
Should you have any comments, questions or concerns, please do not hesitate to contact me or Jacqueline Mesa Acting Comptroller at 475-0420.

*Put Respetu,*

  
NERISSA BRETANIA - SHAFER, PH.D.

Attachment(s)

cc: Office of the Public Auditor

30-09-0152  
Office of the Speaker  
Judith T. Won Pat, Ed. D.  
Date 1/29/09  
Time 3:30  
Received by 

0153

## SUMMARY OF PAYMENTS TO USDOE

Vendor Name: U.S. Department of Education

Vendor #	Invoice Number	P.O. # or Direct Pmt. #	Amount of Payment
200336	AU09E0027	DE07-0115	140,176.00
200336	AU09E00271	DE07-0158	2,834.67
21113	Audit Control #09-04-58489	DE08-0178	22,462.00
21113	Audit Control #09-06-10462	DE09-0007	24,449.00
<b>Total Payment to USDOE:</b>			<b>189,921.67</b>

GUAM PUBLIC SCHOOL SYSTEM  
**GOVERNMENT OF GUAM**

P.O. Box DE  
 Agana, Guam 96910



101-511  
 1214

**Bank of Guam**  
 P.O. BOX BW  
 AGANA, GUAM 96932

0272354

DATE	CHECK NUMBER
6/06/07	272354

CHECK AMOUNT
\$140,176.00

**PAY** Exactly One Hundred Forty Thousand One  
 Hundred Seventy Six Dollars and Zero  
 Cents

**TO THE ORDER OF** U.S. DEPARTMENT OF EDUCATION  
 U.S. DEPARTMENT OF EDUCATION  
 P O BOX 979026  
 ST LOUIS MO 63197-9000

DUPLICATE

**NON-NEGOTIABLE**

⑆0272354⑆ ⑆1114051197⑆ 0101⑆ 248523⑆

**GUAM PUBLIC SCHOOL SYSTEM, GOVERNMENT OF GUAM**

Account Number	Invoice	P/O #	Amount	Disc	Paid
U.S. DEPARTMENT OF EDUCATION	DE07-0115		140,176.00		140,176.00
Vendor 20336	6/06/07	272354	Check Total		140,176.00

*[Faint background text and markings, including a large rectangular stamp on the right side.]*



UNITED STATES DEPARTMENT OF EDUCATION

OFFICE OF THE CHIEF FINANCIAL OFFICER

GUAM DEPT OF EDUCATION-855023255  
P. O. BOX DE  
AGANA GU 969106921

*3/6/07 Lydia  
Have this entered as a payable using local Penalties & Fees account. Thank! Fran!*

February 23, 2007

This is Payment Notice #3

\*\*\*\*\*

The following invoice(s) require your immediate attention:

Invoice Number Due	PO Number	Invoice Date	Due Date	Days Late	Invoice Amount	Balance
AU09E0027		30-SEP-06	14-NOV-06	93	140,176.00	140,176.00
Subtotal:						140,176.00
Finance Charges:						0.00
Total:						140,176.00

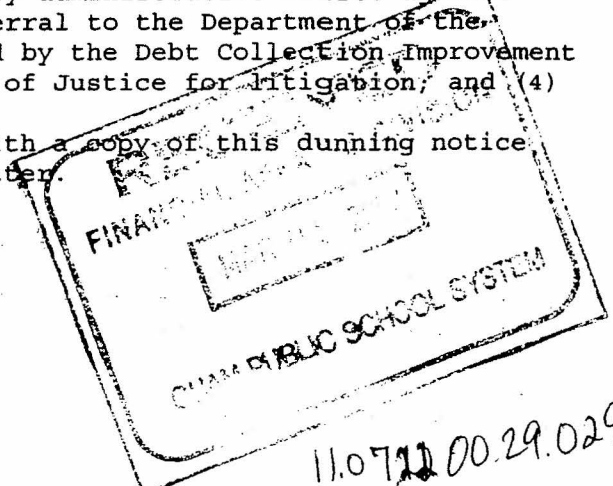
IF AN APPEAL HAS BEEN APPROVED, PLEASE DISREGARD THIS NOTICE

If payment is not received by the due date, this debt will accrue interest charges at the rate established by the Department of Treasury. Unpaid balances over 90 days delinquent will be assessed at 6% per annum penalty charge and an administrative fee of \$200. For inquiries about this bill, please call ACCT-REP 4 on (202) 377-3844. Please reference Customer Number 3846 when you call the Department.

Since you have not responded to previous demands for payment, additional charges have accrued. If payment or a request for repayment plan is not received by the due date, the Department of Education will employ one or more of the following sanctions: (1) Collection by administrative offset against funds due you or your organization; (2) Referral to the Department of the Treasury for collection action as authorized by the Debt Collection Improvement Act of 1996; (3) Referral to the Department of Justice for litigation; and (4) Referral to credit bureaus.

Please remit payment to the address below with a copy of this dunning notice within thirty days from the date of this letter.

Remit to: U. S. Department of Education  
P. O. Box 979026  
St. Louis, MO 63197-9000



POSTED BY: *[Signature]* DATE: 3/14/2007

*110722 00.29.029 0000*

400 MARYLAND AVE. S.W., WASHINGTON, DC 20202  
www.ed.gov

GUAM PUBLIC SCHOOL SYSTEM  
GOVERNMENT OF GUAM

P.O. Box DE  
Agana, Guam 96910



101-513  
1214

Bank of Guam  
P.O. BOX BW  
AGANA, GUAM 96932

0272440

DATE	CHECK NUMBER
6/08/07	272440

CHECK AMOUNT
\$2,834.67

Exactly Two Thousand Eight Hundred  
Thirty Four Dollars and Sixty Seven  
Cents

DUPLICATE

NON-NEGOTIABLE

THE  
ORDER  
OF

U.S. DEPARTMENT OF EDUCATION  
U.S. DEPARTMENT OF EDUCATION  
P.O. BOX 979026  
ST. LOUIS MO 63197-9000

⑈0272440⑈ ⑆121405119⑈ 0101⑈24852⑈

GUAM PUBLIC SCHOOL SYSTEM, GOVERNMENT OF GUAM

Account Number	Invoice	P/O #	Amount	Disc	Paid
MT FOR CURRENT INTEREST AU09EQ0271	DE07-0158		2,834.67		2,834.67
Vendor 20336	6/08/07	272440	Check Total		2,834.67

Tracking #  
for USDOE

6/8/07

ED64680440BUS

**To:** Frances T. Danieli  
**Cc:** Hogleund, Nancy; Luis S.N. Reyes; Raymond I. Miranda  
**Subject:** RE: Customer # 3846 Payment Notice #3

Ms. Danieli:

Thank you for working with the Department of Education to bring your liability current. We want to assist you in accomplishing your objective. Because you have agreed to submit payment, in full, covering the principal of \$140,176.00 plus the current interest to date of \$2,834.67 for a total of \$143,010.67, within the next couple of days, my supervisor has agreed to waive the penalty in an effort to help your school. The current penalty balance to date, being waived, is \$4,252.01. As we have discussed, I am providing you with a Fed-Wire form for your convenience. Please print out the form, fill in the blanks pertaining to your school and submit that form to your bank for transmittal.

*Use this address*

If you have any problems with the transfer of funds, you may submit a check and send by Federal Express to the following address:

US Department of Education  
Receivables & Cash Receipts Team - Room No: 4C158  
400 Maryland Avenue, SW  
Washington, D.C 20202-4330

Attn: Teresa Todd

Thank you very much.

Your cooperation is appreciated.

*Patricia Mark*  
US Department of Education  
Debt Management Group  
Office of the Chief Financial Officer  
(202) 377-3850  
(202) 275-4642 - Fax

*"Pursue the things you love doing, and do them so well that people can't take their eyes off you. All other tangible rewards will come as a result."*

GUAM PUBLIC SCHOOL SYSTEM  
**GOVERNMENT OF GUAM**

P.O. Box DE  
 Agana, Guam 96910



101-511  
 1214

Bank of Guam  
 P.O. BOX BW  
 AGANA, GUAM 96932

0265561

DATE	CHECK NUMBER
8/6/08	0265561

CHECK AMOUNT
\$22,462.00

DUPLICATE

NON-NEGOTIABLE

PAY **EXACTLY 22,462 DOLLARS AND NO CENTS**

TO THE ORDER OF  
**U.S. DEPARTMENT OF EDUCATION  
 OCFO FINANCIAL MANAGEMENT OPERATIONS  
 ACCOUNTS RECEIVABLE GROUP  
 ATTN: NANCY HOGLUND  
 800 FIRST ST., NE, ROOM 2286  
 WASHINGTON, DC 20202-4461**

⑈0265561⑈ 12345678901011 2485221⑈

GUAM PUBLIC SCHOOL SYSTEM, GOVERNMENT OF GUAM

Account Number	Invoice	P/O #	Amount	Disc	Paid
DUNG #855023255	AUDIT FINDING 04-04	DE#0-0178	22,462.00		\$22,462.00
AUDIT CONTROL #09-04-50489					
21113	MANCK 0265561	8/6/08	CHECK TOTAL	*****	

U.S. Postal Service  
**CERTIFIED MAIL RECEIPT**  
 (Domestic Mail Only; No Insurance Coverage Provided)

OFFICIAL USE

Postage	\$ .59
Certified Fee	2.70
Return Receipt Fee (Endorsement Required)	2.20
Restricted Delivery Fee (Endorsement Required)	
<b>Total Postage &amp; Fees</b>	<b>\$ 5.49</b>



Sent To *US Department of Education*  
*OCFO Financial management operation*  
 Street, Apt. No., or PO Box No. *830 First St. NE Room 2286*  
 City, State, ZIP+4 *Washington DC 20202-4461*  
 PS Form 3800, January 2001

**Auditee's Response:**

GDOE stated that it would ensure that, during the set up of the budget for subsequent fiscal years, the mandatory level of effort requirements would be sufficient to meet the maintenance of effort requirement and would be included by GDOE as part of its budget request.

**Assistant Secretary's Determination:**

The Assistant Secretary sustains the auditor's finding and recommendation. With respect to the amount of questioned costs, the Assistant Secretary, based on the application of 34 CFR §300.233<sup>2</sup>, finds that the amount of GDOE's maintenance of effort violation is \$22,462 rather than \$75,864. ~~The Assistant Secretary, therefore, requests a repayment to the Department.~~

11.08.22.00.36.292 (P) 8.508

Pursuant to IDEA Part B's maintenance of effort requirement, an LEA must, in any particular fiscal year, spend an amount of local funds, or a combination of State and local funds, for special education and related services for children with disabilities that, on either an aggregate or per capita basis, equals or exceeds the amount of local funds, or a combination of State and local funds, spent in the prior fiscal year for these purposes. See: 34 CFR §300.231(c).

The auditors found that GDOE, in FY 2004, reduced its local expenditures on special education and related services by \$75,864. The Department's review of GDOE child count data for FYs 2003 and 2004 indicates that, in determining compliance with the maintenance of effort requirements, the aggregate expenditure test, rather than the per capita test, was appropriate. The IDEA Part B regulations also set out certain exceptions to the maintenance of effort requirement.

With respect to determining GDOE's compliance with the 34 CFR §300.231 in FY 2004, the Department found that 34 CFR §300.233(a) applies. This regulation provides that an LEA, when the total appropriation to carry out section 611 of the IDEA Part B exceeds \$4.1 billion, may treat up to 20 percent of the total amount of its IDEA-B Section 611 subgrant that exceeds the amount of that subgrant for the prior year as local funds. See 34 CFR §300.233(a)(1). Because Guam is a unitary system, the IDEA, Part B Section 611 awards from the Department should be treated, for purposes of applying 34 CFR §300.233(a)(1), as GDOE subgrants. For the base period, October 1, 2002 - September 30, 2003, GDOE's IDEA Part B section 611 award was \$12,629,887. For the period at issue in this audit, October 1, 2003 - September 30, 2004, GDOE's IDEA, Part B Section 611 award was \$12,896,899. Consequently, GDOE's fiscal year 2004 IDEA Part B section 611 subgrant exceeds its FY 2003 IDEA Part B section 611 subgrant by \$267,012. Under 34 CFR §300.233(a)(1), GDOE can treat 20% of this amount, \$53,402, as local funds. This reduces the amount of its violation of the maintenance of effort provision set out at 34 CFR §300.231 to \$22,462.

<sup>2</sup> Unless otherwise noted, the citations to regulations in this program determination are to the regulations for Part B of the Individuals with Disabilities Education Act (IDEA, Part B) in effect for fiscal year 2004. New regulations for that program took effect on October 13, 2006. See: 71 FR 46540 (August 14, 2006).



GUAM PUBLIC SCHOOL SYSTEM -  
**GOVERNMENT OF GUAM**

P.O. Box DE  
 Agana, Guam 96910



101-511  
 1214

**Bank of Guam**  
 P.O. BOX BW  
 AGANA, GUAM 96932

0278697

DATE	CHECK NUMBER
10/31/08	278697

CHECK AMOUNT
\$24,449.00

PAY Exactly Twenty Four Thousand Four  
 Hundred Forty Nine Dollars and Zero  
 Cents

TO THE ORDER OF U.S. DEPARTMENT OF EDUCATION  
 U.S. DEPT. OF EDUCATION  
 OCFO FINANCIAL MGMT. OPERATION  
 830 FIRST ST., NE, ROOM 22B6  
 WASHINGTON DC 20202-4461

DUPLICATE

NON-NEGOTIABLE

⑈0278697⑈

GUAM PUBLIC SCHOOL SYSTEM, GOVERNMENT OF GUAM

Account Number	Invoice	P/O #	Amount	Disc	Paid
AUDIT FINDING NO. 06-09	DE09-0007		24,449.00		24,449.00
Vendor 21113	10/31/08	278697	Check Total		24,449.00

10/9/08  
To: [Handwritten notes]



UNITED OFFICE

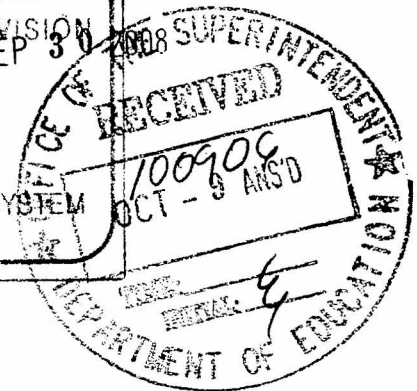
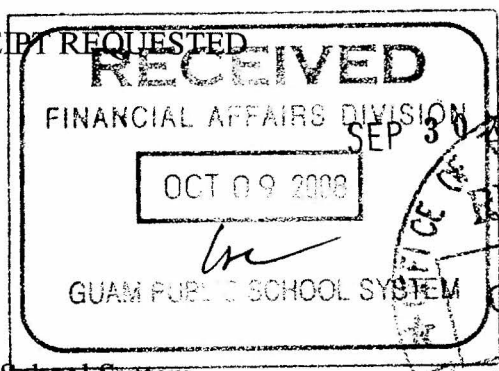
LESTER  
Mr. Aflague  
Ike Santos  
Legal, Fred

10-9-08

Be prepared to meet w/ Dr. Shafer regarding this - Maria

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

Honorable Nerissa Bretania-Shafer  
Superintendent  
Guam Public School System  
Post Office Box DE  
Hagatna, Guam 96932



Audit Control Number: 0906710462  
Auditee : Guam Public School System  
Audit Period : 10/01/2005 - 9/30/2006

Dear Superintendent Bretania-Shafer:

This letter presents my determinations as the Assistant Secretary for Elementary and Secondary Education for the findings in the audit report cited above for which I am responsible. This single audit was conducted by Deloitte & Touche LLP for the audit period October 1, 2005 through September 30, 2006, pursuant to the requirements of the Single Audit Act of 1984, as amended, and the Office of Management and Budget (OMB) Circular A-133, as set forth in the Education Department General Administrative Regulations (EDGAR) at 34 CFR § 80.26. These program determinations have been prepared after a careful review of the final audit report issued to the U.S. Department of Education (Department or ED) on January 22, 2008.

A detailed discussion of the program determinations is included in the enclosure to this letter. The monetary determinations in the enclosure constitute "a preliminary departmental decision" within the meaning of Section 452 of the General Education Provisions Act (GEPA), 20 U.S.C. § 1234a. The monetary determinations request a total repayment of \$24,449 as explained in the enclosure. In any future correspondence with the Department concerning these determinations, please refer to the audit control number above.

Source of Repayment

When remitting repayment for this debt, your agency must use non-Federal funds or Federal funds for which accountability to the Federal government is not required.

### Method of Repayment

Checks should be made payable to the U.S. Department of Education and mailed to the following address:

U.S. Department of Education  
P.O. Box 952226  
St. Louis, MO 63195-2226

The following identification data are applicable to this payment and must be placed on your check and any accompanying documents:

DUNS Number: 855023255  
Document Number: 0906710462

### Timing of Payment and Interest

Payment must be made within sixty (60) calendar days from the date you receive this letter, unless you file a timely appeal of the program determinations. If payment is not received or an acceptable appeal filed within this period, interest will accrue from the date of this letter on the unpaid portion of the refund demand. Interest will be charged at the rate established under 31 U.S.C. § 3717 and published by the Secretary of the Treasury in the Federal Register and the Treasury Financial Manual as in effect on the date of this letter.

### Statute of Limitations

Your attention is directed to the statute of limitations provision of Section 452(k) of GEPA, 20 U.S.C. § 1234a(k). If you believe that portions of the program determinations are affected by this provision, you may submit documentation to this office to indicate the effect of this provision and/or you may raise the effect of the provision as part of an appeal before the Office of Administrative Law Judges (OALJ).

### Appeal Rights

If your agency chooses to appeal the monetary determinations contained in the enclosure to this letter, you must file an application for review with the OALJ in accordance with the specific requirements regarding such filings that are published at 34 CFR §§ 81.12 and 81.37. The application must be filed within sixty (60) calendar days from the date you receive this written notice and may be mailed via the U.S. Postal Service to the following address:

Office of Administrative Law Judges  
c/o Docket Clerk  
Office of Hearings and Appeals

U.S. Department of Education  
400 Maryland Avenue, S.W.  
Washington, D.C. 20202-4615

If your agency wishes to file the application by hand, private messenger, or other private carrier, the appropriate address is as follows:

Office of Administrative Law Judges  
c/o Docket Clerk  
Office of Hearings and Appeals  
U.S. Department of Education  
490 L'Enfant Plaza, S.W.  
Suite 2100A, 2<sup>nd</sup> Floor  
Washington, D.C. 20024

If your agency wishes to file the application by facsimile transmission, please consult the requirements contained in 34 C.F.R. § 81.12, and contact the OALJ for the fax number. You may contact the Docket Clerk, OALJ, at (202) 619-9700, concerning this or any other questions that you have on the procedures for filing an application for review.

The Department official who signs a program determination letter containing a monetary determination that is appealed to the OALJ becomes a "party" under the regulations in 34 CFR Part 81. Therefore, a copy of the application must also be sent to the Department official who issued the determination that is being appealed. Your agency should forward a copy of the appeal application to:

Kerri L. Briggs, Ph.D.  
Assistant Secretary  
Office of Elementary and Secondary Education  
U.S. Department of Education  
400 Maryland Avenue, S.W.  
Washington, D.C. 20202-6100  
Attn: Delores Warner, Room 3W330

An application for review must contain:

- A copy of this notice;
- A statement certifying the date your agency received this notice;
- A short and plain statement of the disputed issues of law and fact, your agency's position with respect to those issues, and identity of the disallowed funds that your agency contends need not be returned;
- A statement of the facts and the reasons that support your agency's position; and

- A statement certifying the date the application was served on the Department official who issued the determination that is being appealed.

If the OALJ accepts your appeal, you may request mediation by an independent mediator agreed to by your agency and the Department official who issued the determination that is being appealed.

Thank you for your cooperation in the resolution of this audit.

Sincerely,

A handwritten signature in black ink, appearing to read "Kerri L. Briggs". The signature is fluid and cursive, with a large initial "K" and "B".

Kerri L. Briggs, Ph.D.

Enclosure