



# DEPARTMENT OF EDUCATION OFFICE OF THE SUPERINTENDENT



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Nerissa Bretania Underwood, Ph.D.  
Superintendent of Education

August 4, 2010

The Honorable Vicente C Pangelinan  
Chairman  
Committee on Appropriations, Taxation, Banking, Insurance, Retirement, and Land  
I Mina Trenta Na Liheslaturan Guahan  
Suite 101 Quan Building  
324 W Soledad Avenue  
Hagatna, Guam 96910

30-16-0686

Office of the Speaker  
Judith T. Won Pat, Ed. D.

Date: \_\_\_\_\_  
Time: \_\_\_\_\_  
Received by: \_\_\_\_\_

2010 AUG 5 AM 9:50

RE: Guam Department of Education FY2011 Budget

Hafa Adai Senator Pangelinan!

As you work on finalizing the budget for the Department of Education (DOE), please consider that there were a number of expenditures that were not funded in the FY2010 budget. I have attempted to put a complete list of items that have been brought to my attention. Among them were the following:

Item	Amount	Comment
GPA Note	\$2,400,000	\$200,000/month. Balance at July 31, 2010 is \$6,637,645.
Retirement Fund Liability	500,000	For amounts owed on behalf of employees not paid to the retirement fund in FY2003; employees will be unable to retire until these amounts are paid. DOE pays upon invoice for employees that are being processed for retirement. Balance at June 18, 2010 is \$6,225,004.
Teacher Furlough	4,067,435	Case not fully settled in court. Note that the amount owed for the furlough has increased from the original \$3.8 million as retirement contributions have gone from 18.0% in FY2003 to 26.04% in FY2010.
Other Prior Period Expenses	2,551,354	See list attached
Adacao administrative staff / school aides	227, 615	6 office staff and 7 part time limited term school aides
<b>TOTAL</b>	<b>\$9,746,404</b>	

The JFK Lease is still under negotiation and cost related to this effort is not included. It is our understanding that the Governor's Office will be seeking funding for the lease.

Additionally, BBMR has suggested that in the budget law you provide authorization to DOE to expend the following funds:

- JROTC – to be used to support JROTC programs
- ERate Reimbursements – to be used to implement adopted Technology Plan

- Indirect Costs – to be used by the Superintendent as provided for in the SOP governing indirect costs.

As you move forward in approving the budget, please ensure that funding for these critical items are included. If you need more information, I would be available at your convenience.

Si Yu'os Ma'ase!



NERISSA BRETANIA UNDERWOOD, Ph.D.

Superintendent of Education

Attachments

- GPA Note
- Retirement Fund Statement
- May 7, 2010 Memo on Teacher Furlough
- Listing of Prior Period Expenses (\$1,220,236.60 +\$ 1,331,117.42)
- Adacao Staffing Pattern for Administrative Staff and School Aides

cc: GEPB without attachments  
Speaker, 30<sup>th</sup> Guam Legislature without attachments  
BBMR Director without attachments