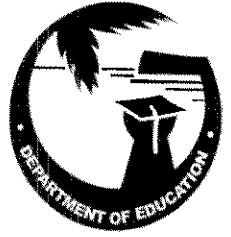




**DEPARTMENT OF EDUCATION
OFFICE OF THE SUPERINTENDENT**

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JON J. P. FERNANDEZ
Superintendent of Education

Honorable Judith Won Pat, Ed. D.
Speaker
I Mina' Trentai Tres Na Liheslaturan Guåhan
Thirty-third Guam Legislature
155 Hesler Place
Hagatna, GU 96910

January 22, 2016

33-16-1257
Office of the Speaker
Judith T. Won Pat, Ed.D

2016 JUN 22 PM 3:29

Date: 01-22-16
Time: 2:38pm
Received By: [Signature]

Dear Speaker Won Pat,

Hafa Adai! It is with pleasure that I transmit to you the Guam Department of Education (GDOE) FY 2017 Budget Request as approved by the Guam Education Board (GEB) on January 22, 2016. You will find included with this letter, the delivery of the GEB adopted Resolution 2016-01, a summary of the GDOE FY2017 budget request and the transmittal to GEB outlining the FY2017 key priorities for this budget request.

The comprehensive budget documents in BBMR format are in the process of completion. I would like to formally request an extension of 10 business days to submit the completed documents in the required format as requested by Vice-Speaker and Committee on Appropriations and Adjudication Chair, Honorable Benjamin J.F. Cruz.

I look forward to working with you, Vice Speaker Cruz, Senator Nerissa Underwood, Education Committee Chair, and members of the Thirty-Third Guam Legislature to complete the Fiscal Year 2017 budgetary process and ensure the department receives adequate resources for continuing operations, address GDOE's high risk status, and to improve facilities for our students. I am confident that the legislature and the executive branch will recognize and appreciate the ultimate goal of this budget, which is to provide our island's children a safe and healthy school environment with the proper learning tools to succeed in life.

Senseramente,

[Signature]
JON J. P. FERNANDEZ

Attachment

CC: Chairman and Member, Guam Education Board
Thirty-Third Guam Legislature

**GUAM EDUCATION BOARD
RESOLUTION NUMBER 2016-01**



Introduced by:

Guam Education Board Members

**RELATIVE TO FISCAL YEAR 2017 ANNUAL BUDGET REQUEST
FOR THE GUAM DEPARTMENT OF EDUCATION**

WHEREAS, pursuant to Section 3121 of Title 17 of the Guam Code Annotated, the Guam Education Board (GEB) is responsible for approving an annual budget by resolution; and

WHEREAS, on September 28, 2015 the Superintendent issued the FY2017 Budget Call to School Administrators and Division Heads, requesting their budget submissions adequately meet the goals of the 'Every Child is Entitled to an Adequate Education Public Education Act,' be student centered, and based on achieving the goals established by the GDOE State Strategic Plan; and

WHEREAS, in compliance with 11 GCA §52101(a), public hearings were held from October 7 through October 31, 2015 to afford stakeholders the opportunity to participate and provide input to the FY2017 budget process; and

WHEREAS, School Administrators and Division Heads submitted and presented their FY2017 Budget requests to the Superintendent from December 9 through December 11, 2015; and the GEB reviewed the budget over several work sessions to discuss budget priorities on December 28, and 29, 2015 with GDOE's Management Team, School Administrators, and Division Heads; and on January 11-13, 2016 with GDOE's Management Team; and

WHEREAS, the GEB has determined an aggregate of Three Hundred Twenty-Five Million Nine Hundred Fifty-Seven Thousand Eight Hundred Six dollars, \$325,957,806 for FY2017 operations, exclusive of funding for Charter Schools, is adequate to meet the goals of the 'Every Child is Entitled to an Adequate Education Public Education Act,' which falls within the statutory responsibility of the Department of Education; and

WHEREAS, this aggregate reflects the following funding priorities for FY2017: the hiring of school-based vacant positions, recruitment of personnel to address GDOE's high-risk grant status, and adequate funding to support the Division of Maintenance and Facilities to address health and safety matters as documented by School Administrators; and

WHEREAS, per Public Law 31-15, the Board has determined that it is in the best interest of GDOE to have at least one school based custodial or maintenance staff at each school; and

WHEREAS, in order that GDOE accelerate and advance progress in key areas of operations, the GEB has determined this aggregate be apportioned in the following order of priorities: \$257,266,145 will cover the current level of operations; \$14.1M covers student achievement; \$28M to improve student health and school safety which includes \$10.8M in facility repairs and capital improvement projects at 37 school sites, \$4.6M in classroom collateral equipment outlay, and \$696,168 in additional facilities and maintenance support staff; \$4.6M to facilitate efforts in removing GDOE's high-risk designation; and \$21.7M to address other Mandates of Public Law, Contracts and Prior Year Obligations (\$1.4M), inclusive of \$15.7M to address the backlog of textbook reorders; and

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WHEREAS, GEB requires specific funding for any new initiatives and \$955K is included to expand the Early Childhood Education Pre-Kindergarten Program to four additional schools; and

WHEREAS, while GDOE's FY2017 budget request represents an overall .62% decrease in comparison to FY2016 (\$327.9M), the projected cost of continuing operations slightly increased by .51% or \$1,305,252 over FY2016 (from \$255.9M to \$257.2M), which is largely attributable to the full implementation of the Government of Guam Competitive Wage Act (GGCWA), organic growth in contractual obligations, and utility rate increases offset by a reduction of projected power consumption (from \$15.4M to \$12.9M); and

WHEREAS, the GEB has determined of the remaining \$68.6M in GDOE's FY17's total request (less continuing operations), \$40.4M will directly impact teaching and learning in the schools with additional school aides, coaches, collateral equipment, and capital improvement and outlay; and \$28.2M will cover prior period expenses, additional facilities and central office staff to further progress in removing high risk grant status, and help to accelerate improved operational efficiencies, with more than half or \$15.7M to address the backlog of textbook orders; and

WHEREAS, the full implementation of the GGCWA has impacted GDOE's Special Education and Head Start programs, requiring 82 new positions (80 school aides 2 head start aides) or \$2,786,000 to provide required services to our current number of special education students and maintain the level of enrollment for Head Start students; and similarly, GDOE's required level of effort for its U.S. Department of Education Consolidated Grant is \$6,241,652 and therefore these funding requirements are included in GDOE's FY2017 request; and

WHEREAS, while GDOE operates six schools (Liguan and Adacao elementary, Astumbo Middle, John F. Kennedy (JFKHS), Okkodo (OHS), and Tiyan High (THS) schools) and its central offices under lease back/lease to purchase agreements, more commonly referred to as GEF, GEFFII, CapFa, and Coretech, and wherein the GEB asserts FY2017 funding for these agreements may be construed as debt service and as such, should continue to be appropriated outside of GDOE's FY2017 operating budget; and

WHEREAS, the costs of JFKHS and the OHS Expansion additional rents, maintenance and insurance represent operating expenditures relative to GDOE's occupancy of the facilities, \$1,650,000 for OHS Expansion and \$2,104,446 for JFKHS are included in GDOE's FY2017 request; and

WHEREAS, GDOE's FY2016 appropriation (PL 33-66) of \$232,080,282 (less Charter Schools) is \$18.7M less than projected cost of baseline operations (\$250.8M), the GEB continues to be concerned about the impacts of cumulative cash shortfalls (FY15 \$3.2M, FY14 \$5M, FY13 \$8.3M) from GDOE's Territorial Education Facilities Fund (TEFF) appropriations and the need for supplemental funding ; and

WHEREAS, the Guam Academy Charter School Council (GASCS) has not transmitted a FY2017 budget request for the Guahan Academy and I'Learn charter schools and notwithstanding, charter schools operate separate and apart from GDOE, therefore an allotment request for charter schools were excluded from GDOE's FY2017 request;

NOW THEREFORE BE IT RESOLVED, the Guam Education Board does hereby adopt and transmit the Department of Education FY2017 for review by *I Mina' Trentai Tres Na Liheslaturan Guåhan*; and

BE IT FURTHER RESOLVED, that pursuant to Section 3121 of Title 17 of the Guam Code Annotated, the Guam Education Board does hereby approve the FY2017 budget, to include special appropriations, as outlined:

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	MANDATE	AMOUNT
1	A certified teacher for every class in a ratio established by relevant collective bargaining agreements	138,286,326
2	Certified Professional Administrators	10,679,632
3	Certified Guidance Counselors	6,452,118
4	Certified School Health Counselors	3,899,491
5	Certified Allied Health Professionals	773,846
6	Air-conditioned or properly ventilated classrooms in which the sensible air temperature is no greater than 78° F	6,639,062
7	Potable water sufficient to provide each student a daily ration of drinking and washing water	3,880,126
8	A reliable supply of electricity	12,990,408
9	Proper sanitation to include flushable toilets, clean restrooms, clean dining areas, and classrooms	5,604,833
10	Adopted and required textbooks and workbooks issued to each public school student for the classes in which he/she is enrolled	17,216,156
11	Libraries, which meet the standards of the American Association of School Librarians, at each school, operated by certified librarians	4,526,895
12	A healthy, safe, sanitary learning environment	60,533,937
13	At least one hundred eighty (180) instructional days each school year with school years ending no later than thirty (30) days following the end of the calendared school year; and	53,939,488
14	Regular; timely school bus transportation to and from the school	535,488
TOTAL		325,957,806

BE IT FURTHER RESOLVED, the Guam Education Board requests annual repayments for GDOE schools and facilities under the GEF, GEFF, GEFFII, CapFa, and Coretech-Tiyan financing instruments by the Government of Guam be adequately funded and continue to be appropriated outside of GDOE's FY2017 operating budget;

BE IT FURTHER RESOLVED, the Guam Education Board requests annual budgets for charter schools be appropriated outside of GDOE's FY2017 operating budget, and that GDOE be relieved of any associated tasks, in reviewing or auditing charter school invoices related to their annual appropriations;

BE IT FURTHER RESOLVED, because Guam Education Board supports a custodial or maintenance staff be employed in every school campus to address daily operational needs, the Guam Education Board concurs with the requested hiring of such positions included in the budget;

BE IT FURTHER RESOLVED, the Guam Education Board appeals to the Thirty-Third Guam Legislature and the Governor to identify and provide relief for the carry over FY2015 (\$5.3M), FY2014 (\$5M) and FY2013 (\$8.3M) cash shortages in GDOE's appropriations from the Territorial Education Fund (TEFF); and to appropriate supplemental funding to mitigate adverse impacts to current GDOE operations;

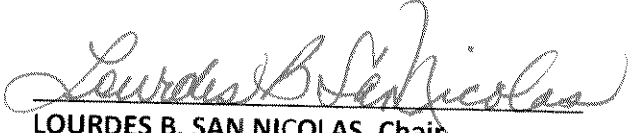
BE IT FURTHER RESOLVED, the Guam Education Board urges the Thirty Third Guam Legislature to fund the expansion of the Early Childhood Education Pre-Kindergarten Program to four additional schools;


BE IT FURTHER RESOLVED, that a copy of this Resolution be transmitted to the Honorable Speaker Judith T. Won Pat, *I Mina' Trentai Tres Na Liheslaturan Guåhan*, the Honorable Vice-Speaker Benjamin Cruz, Chairman of the Thirty-Third Guam Legislative Committee on Appropriations and Adjudication, the Honorable Nerissa Bretania Underwood, Ph.D., Chairwoman of the Thirty-Third

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Guam Legislative Committee on Early Learning, Juvenile Justice, Public Education and First Generation Initiatives, the Honorable Governor Edward Baza Calvo, *I Magá lâhen Guåhan* and all schools.

DULY AND REGULARLY ADOPTED THIS 22ND DAY OF JANUARY, 2016.


LOURDES B. SAN NICOLAS, Chair
Guam Education Board


JON J.P. FERNANDEZ
Executive Secretary