



**DEPARTMENT OF EDUCATION
OFFICE OF THE SUPERINTENDENT**



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JON J. P. FERNANDEZ
Superintendent of Education

September 28, 2016 *99-16-2053*
Office of the Speaker
Judith T. Won Pat, Ed.D

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

Date: 09-29-16
Time: 9:11 AM
Received by: [Signature]

2016 SEP 29 PM 3:01

Re: Relative to Adopting the Spending Priorities for the Guam Department of Education for Fiscal Year 2017

Hafa Adai Speaker Won Pat,

In compliance with Guam Education Policy 700, I am transmitting the attached Guam Education Board Resolution 2016-14 as approved by the board in the GEB Special Meeting conducted on September 27, 2016. The Guam Education Board has adopted the GDOE Fiscal Year 2017 Budget Plan as outlined in Resolution 2016-14.

Should you have any questions, please contact me at 300-1547.

Senseramente,

[Signature]
JOSEPH L.M. SANCHEZ
Superintendent of Education, Acting
WV

Attachment

cc: Chairwoman and Members, Guam Education Board
Vice-Speaker, Thirty-Third Guam Legislature
Chairperson, Committee on Early Learning, Juvenile Justice, Public Education and First Generation Initiatives
Deputy Superintendent, Finance and Administrative Services

2053

**GUAM EDUCATION BOARD
RESOLUTION NUMBER 2016-14**



Introduced by:

Guam Education Board Members

**RELATIVE TO ADOPTING THE SPENDING PRIORITIES FOR
THE GUAM DEPARTMENT OF EDUCATION FOR FISCAL YEAR 2017**

WHEREAS, the Guam Education Board (GEB) used the Every Child is Entitled to an Adequate Education Act to form the basis of the FY 2017 budget; and

WHEREAS, on January 22, 2016 (GEB Resolution 2016-01) the Guam Education Board approved and adopted the Guam Department of Education (GDOE) FY2017 budget request in the amount of \$325,957,806 and transmitted the budget to *I Mina' Trentai Tres Na Liheslaturan Guåhan*; and

WHEREAS, Bill 250-33 (COR), AN ACT MAKING APPROPRIATIONS FOR THE OPERATIONS OF THE EXECUTIVE, LEGISLATIVE AND JUDICIAL BRANCHES OF THE GOVERNMENT OF GUAM FOR FISCAL YEAR ENDING SEPTEMBER 30, 2017, MAKING OTHER APPROPRIATIONS, AND ESTABLISHING MISCELLANEOUS AND ADMINISTRATIVE PROVISIONS lapsed into law on September 10, 2016 as Public Law 33-185; and

WHEREAS, Public Law 33-185 appropriates the sum of Two Hundred Forty Million, Eight Hundred Sixty-Seven Thousand Seven Hundred Seventy One Dollars (\$240,867,771) to the GDOE Operations Fund for Fiscal Year 2017; and

WHEREAS, Public Law 33-185, appropriates an additional sum of Nineteen Million One Hundred One Hundred Seventy One Thousand Three Hundred Sixty Two Dollars and Sixteen Cents (\$19,097,212) for debt service and lease payments for John F. Kennedy, Okkodo Expansion, Tiyan high schools and GDOE Central Offices, inclusive of annual maintenance and insurance; and

WHEREAS, Public Law 33-185, Chapter II Part I, Section 2 directs the Department of Administration to deduct \$6,500 per enrollee for School Year 2016-2017, not to exceed 740 students for the Guahan Academy Charter School, and 450 students for the *iLearn* Academy Charter School, totally \$8,060,000 from within GDOE's Fiscal Year 2017 appropriations; and

WHEREAS, Public Law 33-66, Chapter II Section 4 allocates \$633,936 from within GDOE's Operations Fund appropriation to fund sports facility repairs; and

WHEREAS, Public Law 33-66, Chapter II Section 6 allocates \$1,081,000 from within GDOE's Operations Fund appropriation to fund 'Y Kuantan Salappe Principat,' directing the Superintendent to allot each school \$30 per student except for Inarajan, Merizo, Talofof, LB Johnson, BP Carbullido, Chief Brodie Memorial, Harry S. Truman, JQ San Miguel, Marcial A. Sablan, Ordof Chalan Pago elementary schools, JP Torres Alternative and Oceanview Middle schools which shall each be allocated a total of \$15,000; and

WHEREAS, Public Law 33-66, Chapter II Section 19 exempts GDOE from the Bureau of Budget and Management Research allotment release control (Section 1303, Article 3, Chapter 1, Title 5 GCA), including the application of a 3% reserve, and mandates GDOE to transmit a drawdown schedule to the Director of Administration; and

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WHEREAS, Public Law 33-185 appropriates \$89 million less than what was approved and requested (less JFK and OHS annual maintenance and insurance) by the Guam Education Board thus impeding GDOE's ability to move off high risk status, to pay prior period expenses and to be in compliance with the Adequate Education Act (14 points) such as hiring of certified personnel and providing critical contractual services; and

WHEREAS, the GEB is concerned about cumulative shortfalls in the Territorial Education Facilities Fund (TEFF) collections and how the resultant \$1.7M (as of the July 2016 Special Revenue Fund Tracking Report) projected shortfall may affect a cash shortage in GDOE's Fiscal Year 2016 appropriations and, as prior year cash shortages FY2015 (\$2.4M), FY2014 (\$5M) and FY2013 (\$8.3) in GDOE's TEFF appropriations have and may once again, inhibit GDOE's upcoming Fiscal Year 2017 operations; and

WHEREAS, while the GEB has determined GDOE's total projected baseline cost in FY2017 continuing operations amounts to \$245.7M, about \$12.9M more than what has been appropriated to GDOE, Public Law 33-185 authorizes the Superintendent to transfer funds from GDOE appropriations among object categories except for personnel, and also authorizes and encourages the Superintendent to implement a Cost Savings Plan; and

WHEREAS, pursuant to 17 GCA §3112(17) the Guam Education Board continues to utilize the 14 points of the Every Child is Entitled to an Adequate Education Act as a basis for spending priorities; and

NOW THEREFORE BE IT RESOLVED that pursuant to 17 GCA §3112(17) the Guam Education Board does hereby approve the spending priorities as outlined below:

	MANDATE	AMOUNT
1	A certified teacher for every class in a ratio established by relevant collective bargaining agreements	113,628,192
2	Certified Professional Administrators	10,944,110
3	Certified Guidance Counselors	5,998,652
4	Certified School Health Counselors	3,457,785
5	Certified Allied Health Professionals	573,482
6	Air-conditioned or properly ventilated classrooms in which the sensible air temperature is no greater than 78° F	3,647,216
7	Potable water sufficient to provide each student a daily ration of drinking and washing water	3,569,713
8	A reliable supply of electricity	13,159,946
9	Proper sanitation to include flushable toilets, clean restrooms, clean dining areas, and classrooms	3,104,833
10	Adopted and required textbooks and workbooks issued to each public school student for the classes in which he/she is enrolled	1,500,000
11	Libraries, which meet the standards of the American Association of School Librarians, at each school, operated by certified librarians	3,633,380
12	A healthy, safe, sanitary learning environment	37,990,316
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	31,294,932
14	Regular; timely school bus transportation to and from the school	305,214
TOTAL		232,807,771

BE IT FURTHER RESOLVED, that Board adopts the following FY17 spending priorities:

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- Recruit personnel to address high-risk status
- Fill school-based vacant positions
- Redirect funding sources to support the Division of Maintenance and Facilities to address health and safety matters as documented by the schools

BE IT FURTHER RESOLVED, that, unless fully funded and a funding source is guaranteed, GDOE will not commit to support additional initiatives that will cost the department additional funds using its own current operational budget; and

BE IT FURTHER RESOLVED that the Guam Education Board fully supports Public Law 28-45, Section 13 which states:

"I Liheslaturan Guåhan shall annually appropriate from the General Fund or any other funds determined to be appropriate by I Liheslaturan Guåhan to the Guam Department of Education all amounts necessary to provide an adequate public educational system as required by Section 29(b) of the Organic Act, as amended, and to that end provide an adequate Public Education for all Public School students as those terms are defined in 1 GCA §715."


BE IT FURTHER RESOLVED, that the Guam Education Board hereby directs the Superintendent to utilize the approved spending priority as outlined above in creating individual school and division budgets for FY2017; and to exert transfer authority to meet the needs of the department pursuant to Section 15 of the Public Law 33-185, Chapter II Part I; and

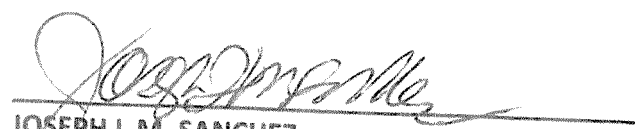
BE IT FURTHER RESOLVED, that the Guam Education Board hereby directs the Superintendent to conduct a cross-leveling of personnel, perform cost benefit analyses of operating costs, and identify potential cost savings that may be implemented to reduce the \$12.9M variance between GDOE's FY2017 appropriations and GDOE's FY2017 projected costs in continuing operations; and

BE IT FURTHER RESOLVED, that the Superintendent is directed to determine if a supplemental budget request is necessary to ensure that the schools and divisions have the necessary resources to operate; and

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 33rd Guam Legislative Committee on Appropriations, Taxation, Public Debt, Banking, Insurance, Retirement and Land, the Honorable Senator Nerissa Bretannia Underwood, Chairwoman of the 33rd Guam Legislative Committee on Education, and the Honorable Governor Edward Baza Calvo, *I Magá lâhen Guåhan* and all schools.

DULY AND REGULARLY ADOPTED THIS 27th, DAY OF SEPTEMBER, 2016.


LOURDES SAN NICOLAS, Chairwoman
Guam Education Board


JOSEPH L.M. SANCHEZ
Executive Secretary, Acting