



OFFICE OF THE PUBLIC AUDITOR

**EXECUTIVE SUMMARY**  
**Guam Public School System Textbook Management**  
**Report No. 08-09, October 2008**

As required by law, the Office of the Public Auditor conducted an audit of the Guam Public School System's (GPSS) textbook management. Our objective was to determine if textbooks were ordered, distributed, and accounted for in accordance with Guam laws and adopted policies and procedures. We found that past and current GPSS Superintendents<sup>1</sup> did not establish district-wide standard operating procedures (SOP) for textbook management and accountability as required by Guam Education Policy Board (GEPB) Policy No. 601; that no reliable inventory exists to efficiently and effectively acquire, distribute, and account for textbooks; and that locally-funded textbooks are not managed as well as federally funded textbooks. The past and current Superintendents also failed to oversee and monitor the Division of Curriculum and Instruction (C&I) Associate Superintendent's management of textbooks. Monitoring textbook management is a continuous and necessary requirement for all the Superintendents and accountability should be constantly manifesting despite turnover.

P.L. 28-45, the Every Child is Entitled to an Adequate Education Act, mandated textbooks for all students. To this end, the GEPB required the Superintendent of Education to develop district-wide SOPs for textbook acquisition, management, and accountability. However, no such SOPs were ever developed by the six individuals who served as superintendent since 2004. Thus, textbook management and accountability remains inconsistent.

C&I is responsible for the accountability and inventory of locally funded textbooks, while GPSS Federal Programs, through the Reading First Center, is responsible for the federally-funded Direct Instruction (DI) textbooks. In addition, the GPSS District Action Plan identified C&I as ultimately responsible for textbook accountability. We found a significant difference in the management processes of the two divisions. The Reading First Administrator tracks DI textbook orders with the other GPSS divisions involved and has the orders pre-packaged for distribution. DI textbooks are inventoried quarterly in order to determine shortages and make appropriate transfers. In contrast, the C&I Associate Superintendent, who has been responsible for textbook accountability since 1998, does not track, monitor, or involve other GPSS divisions in the ordering and distribution process of locally-funded textbooks. Although C&I adopted a textbook ordering process calendar, it did not appoint a District Textbook Coordinator to oversee the management of all GPSS textbook activities to include timely ordering, payment, receipt, distribution, and inventory.

**Inconsistent Textbook Management**

We visited Tamuning Elementary School, Jose Rios Middle School, Okkodo High School (OHS), and Simon Sanchez High School. In the absence of district-wide SOPs, the four schools developed their own textbook SOPs. With the exception of Tamuning Elementary School (under the DI program), officials from the other schools expressed the following concerns about C&I's inconsistent textbook management: processes:

- The schools stated they were not given enough time to determine textbook needs and submit orders.
- Textbooks were not ordered in time for the opening of the new OHS. To supply OHS with textbooks, the current high school textbook inventory, which was already short to begin with, was

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<sup>1</sup> Since 2004, there has been at least six different Superintendents at GPSS.

redistributed among the other high schools based on the numbers of students enrolled. This further exacerbated the existing textbooks shortage among all schools.

- No District Textbook Coordinator was appointed making the tracking and managing of GPSS textbooks difficult.

### **No District-Wide Textbook Inventory Listing**

In addition to developing their own SOPs, the four schools we assessed also conducted their inventories, at least annually; however, the C&I Associate Superintendent did not compile this information into a comprehensive district-wide textbook inventory. C&I also did not track or independently verify school inventories. A comprehensive textbook inventory will enable C&I to effectively and efficiently identify textbook needs, ensure timely orders, accurately distribute, and effectively account for textbooks.

Although GEPB Policy No. 601 requires all textbooks to be bar coded, GPSS's Property Control Officer was unaware of the requirement until it was brought to his attention by the Interim Chief Financial Officer in August 2008. A fixed asset bar code system has been in place since 2006. Due to manpower shortages, textbooks remain uncoded. The four schools we assessed assign their own numbers manually with a permanent marker.

### **Conclusions and Recommendations**

In comparison to the management and accountability of federally funded DI textbooks, C&I does not track or monitor locally funded textbooks and does not provide guidance for textbook management among schools. Despite these conditions, the four schools we assessed developed and adopted their own policies and procedures to manage and account for textbooks. These efforts, though not uniform, provided a degree of accountability which we applaud. The same practices and procedures that apply to federally funded textbooks should be applied to locally funded textbooks as well.

We recommend the Superintendent of Education (1) identify a District Textbook Coordinator to manage all textbook-related issues; (2) establish a district-wide Textbook Management Accountability SOP, incorporating DI practices; and (3) begin bar coding textbooks and conduct regular inventories.

In September 2008, the GPSS Internal Audit (IA) Division issued an Audit of Textbook & Lost Textbook Funds. The IA Division looked at textbook appropriations, de-appropriations, expenditures, and payments and concluded that GPSS failed to comply with various public laws.

### **External Impairment**

Our audit was initially delayed, because of the reluctance of GPSS personnel to communicate with us without clearance from the Chief Internal Auditor. This was eventually resolved, but we were unable to interview the former C&I Associate Superintendent. The OPA conducts its audits according to *Government Auditing Standards* issued by the Comptroller General of the United States. These standards require audit organizations to be free of external impairments so that auditors can remain objective and exercise due professional care. Specifically, Section 3.10(c), "unreasonable restrictions on the time allowed to complete an audit or issue the report" is an external impairment. The mandate, P.L. 29-106, to conduct this textbook audit constrained OPA to an unreasonable timeframe of 60 days. Our freedom to make an independent and objective judgment on the audit scope was hampered by the time limit imposed. For example, this precluded our assessment of GPSS textbook costs and procurement.



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