

Office of Public Accountability

Fiscal Year 2019 Budget Request and Presentation

As of March 2018

Distribution:

Committee on Appropriations and Adjudication
Office of Finance and Budget
Office of the Governor
Bureau of Budget and Management Research



OFFICE OF PUBLIC ACCOUNTABILITY
Doris Flores Brooks, CPA, CGFM
Public Auditor

OFFICE OF PUBLIC ACCOUNTABILITY
emd
RECEIVED BY _____
TIME 2:05 DATE 3.13.18

March 12, 2018

Honorable Benjamin J.F. Cruz
Chairman, Committee on Appropriations and Adjudication
Guam Congress Building
163 Chalan Santo Papa
Hagåtña, Guam 96910

Speaker Benjamin J.F. Cruz

MAR 12 2018

Time: 5:05 AM / PM File No. _____
Received By: *[Signature]*

Subject: FY 2019 Budget Request

Dear Speaker Cruz and Committee Members,

The Office of Public Accountability (OPA) is pleased to present our fiscal year (FY) 2019 budget request of \$1,696,347, which includes \$1.4 million (M) to fund our current staff complement of 18. This amount also includes \$279 thousand (K) to fund rent and other contractual obligations such as the FY 2017 & FY 2018 Mayors' Council of Guam financial audit. These costs would be absorbed if OPA is authorized to carry over lapsed funds from FY 2012 and FY 2013 of approximately \$550K.

OPA's budget trend for the past three years is as follows:

- For FY 2018, OPA's budget is at \$1,532,369 with an appropriation of \$1,396,898 and carry over authorization of FY 2017 lapses of \$135,471.
- In FY 2017, we were appropriated \$1,396,898 without any carryover authorization. As a result, cash reserves were utilized to fund the budgetary shortfall of \$117,692.
- Our FY 2016 final budget was \$1,611,851 consisting of an appropriation of \$1,389,743 and prior year carry over funds of \$222,108.

The attached presents OPA's accomplishments for this past year as well as OPA's audit and procurement appeals plans to achieve our goals. As part of OPA's FY 2019 proposal, we respectfully request the Legislature to:

- Approve OPA's lump sum budget of \$1,696,347;
- Approve the carryover of lapses from FY 2012 and FY 2013 of approximately \$550K;
- Continue to exempt OPA from BBMR allotment control similar to other elected offices and the Judiciary; and
- Amend legislation to require Board or Commission meeting audio files be posted on the respective agency's website with a link posted on the OPA website.

Si Yu'os Ma'ase.

Senseramente,

[Signature]
Doris Flores Brooks, CPA, CGFM
Public Auditor

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[Signature]
105 PM
MAR 13 2018
Bureau of Budget and
Management Research

**BUREAU OF BUDGET AND MANAGEMENT RESEARCH
FISCAL YEAR 2019
BUDGET DOCUMENT CHECKLIST**

Department/Agency: Office of Public Accountability Date Received by BBMR: _____
 Division/Program: Office of Public Accountability Date Reviewed: _____

	Department/Agency		BBMR	
	Yes	No	Yes	No
<u>General</u>				
Is the department/agency request within the Governor's established ceiling?	X			
Does the SUMMARY digest totals equal the totals on the detail pages?	X			
Are the required budget forms attached?				
a. Agency Budget Certification [BBMR ABC]	X			
b. Agency Narrative Form [BBMR AN-N1]	X			
c. Decision Package [BBMR DP-1]	X			
d. Program Budget Digest Forms [BBMR BD-1, BBMR TA-1, BBMR 96A - REVISED]	X			
e. FY 2019 (Proposed) Agency Staffing Pattern [BBMR SP-1] - All Fund Sources	X			
f. FY 2018 (Current) Agency Staffing Pattern [BBMR SP-1] - All Fund Sources	X			
g. Federal Program Inventory Form [BBMR FP-1]	X			
h. Equipment/Capital Listing & Space Requirement Form [BBMR EL-1]	X			
i. Prior Year Obligation Form [BBMR PYO-1]	X			
Are the E-Files attached for all budget forms?	X			
I. Agency Budget Certification [BBMR ABC]				
1. Is the budget certified as to its accuracy and BBMR requirements?	X			
II. Agency Narrative Form [BBMR AN-N1]				
1. Is the mission statement correct and consistent with the department/agency's enabling act?	X			
2. Are the goals and objectives correct and consistent with the department/agency's mission?	X			
III. Decision Package [BBMR DP-1]				
1. Is activity description correct?	X			
2. Is major objective correct?	X			
3. Are short term goals correct?	X			
4. Is workload output reflected correctly?	X			
IV. Program Budget Digest Forms [BBMR BD-1, BBMR TA-1, BBMR 96A - REVISED]				
A.) Budget Digest Form [BBMR BD-1]				
<u>Personnel Services</u>				
1. Are figures reflected consistent with the attached staffing pattern(s)?	X			
2. Are amounts reflected in each column accurate?	X			
3. Are computations correct?	X			
<u>Operations</u>				
1. Are the amounts reflected under columns, "Governor's Request," for each object category consistent with respective schedules (Schedule A - E) as detailed in the budget digest subforms (BBMR TA-1 & BBMR 96A - REVISED)?	X			
2. Are amounts reflected in each column accurate?	X			
3. Are computations correct?	X			
<u>Utilities</u>				
Are amounts reflected in each column correct?	X			
<u>Capital Outlay</u>				
Are amounts reflected under columns, "Governor's Request," consistent with schedule F as detailed in the budget digest subform, [BBMR 96A - REVISED]?	X			
<u>Full Time Equivalencies (FTEs)</u>				
Are the number of FTEs for both "Unclassified" and "Classified" accurately reflected under each column?	X			
B.) Off-Island Travel Form [BBMR TA-1] (Schedule A)				
1. Is the purpose/justification for travel defined?	X			
2. Is/Are the travel date(s) and number of travelers reflected?	X			
3. Is/Are the position title(s) of the traveler(s) reflected?	X			
4. Are all columns (Air Fare, Per Diem, Registration, and Total Cost) accurate?	X			
C.) Operations Schedules Form [BBMR 96A - REVISED] (Schedules B-F)				
1. Are "Items" under schedules B - F listed in detail?	X			
2. Is the "Quantity" and "Unit Price" under schedules B - F reflected for respective items?	X			
3. Are corresponding FY 2018 authorized levels under schedules B - F indicated?	X			
V. Agency Staffing Pattern Forms [BBMR SP-1]				
1. Are position titles correct?	X			
2. Are all LTA and Temp. positions properly identified?	X			
3. Are position numbers reflected?	X			
4. Are the salary levels consistent with the Government of Guam Competitive Wage Act of 2014 and/or Public Safety and Law Enforcement Pay Schedule (40%)?	X			
5. Are filled positions funded?	X			
6. Are increment amounts reflected?	X			
7. Are rates reflected under "Benefits" correct?	X			
8. Are computations correct?	X			
VI. Federal Program Inventory Form [BBMR FP-1]				
Is the form complete and accurate?	X			
VII. Equipment/Capital Listing & Space Requirement Form [BBMR EL-1]				
1. Is the description of the equipment and/or capital item(s) detail?	X			
2. Is the "quantity" and "percentage of use" reflected?	X			
3. Are space requirements descriptive and total space reflected and accurate?	X			
VIII. Prior Year Obligation Form [BBMR PYO-1]				
	X			

CERTIFIED AS TO COMPLETENESS AND ACCURACY

DEPARTMENT:
 Prepared By: LLEWELYN RATERAJE, Audit Supervisor
 Approved By: DORIS FLORES BROOKS, Public Auditor
 (Signature of Dept/Agency Head)
 Date: 3/12/19

BBMR ACTION:
 Recommendation
 Approval
 Disapproval

Analyst _____
 Date _____

**Government of Guam
Fiscal Year 2019**

Agency Budget Certification

Agency: Office of Public Accountability

Agency Head: Doris Flores Brooks, Public Auditor

I certify that the attached budget, submitted herewith, has been reviewed for accuracy and that all requirements by the Bureau of Budget & Management Research (BBMR) have been met. I also acknowledge that this budget document will be returned to this department if any of the **BBMR requirements** is not met and/or if there are **inaccuracies** contained therein.

Agency Head: 
(Signature)

Date: 3/12/18

**Government of Guam
Fiscal Year 2019 Budget
Department / Agency Narrative**

FUNCTION: Office of Public Accountability (Audit & Procurement Appeals)

DEPT. / AGENCY: Office of Public Accountability

** Please see PowerPoint Presentation for Complete Narrative Details **

MISSION STATEMENT:

To ensure the public trust and assure good governance, we conduct audits and administer procurement appeals, independently, impartially, and with integrity.

VISION STATEMENT:

Guam is the model for good governance in the Pacific.

OPA is a model, robust audit office.

GOALS AND OBJECTIVES:

To ensure the public trust and assure good governance, we will:

- Protect the independence of the OPA;
- Deliver impactful, reliable, and quality reports;
- Recruit and retain qualified staff; and
- Increase public knowledge and trust of OPA's mission, work and impact.

CORE VALUES:

- **Objectivity:** To have an independent and impartial mind.
- **Professionalism:** To adhere to ethical and professional standards.
- **Accountability:** To be responsible and transparent in our actions.

AS400 Account Code	Appropriation Classification	A B C			D E F			G H I			J K L		
		FY 2017 Expenditures & Encumbrances	FY 2018 Authorized Level	FY 2019 Governor's Request	FY 2017 Expenditures & Encumbrances	FY 2018 Authorized Level	FY 2019 Governor's Request	FY 2017 Expenditures & Encumbrances	FY 2018 Authorized Level	FY 2019 Governor's Request	FY 2017 Expenditures & Encumbrances	FY 2018 Authorized Level	FY 2019 Governor's Request
	PERSONNEL SERVICES												
111	Regular Salaries/Increments/Special Pay:	870,568	919,146	1,065,377	0	0	0	0	0	0	0	1,065,377	
112	Overtime:	0	0	0	0	0	0	0	0	0	0	0	
113	Benefits:	293,492	274,818	352,425	0	0	0	0	0	0	0	352,425	
	TOTAL PERSONNEL SERVICES	\$1,164,060	\$1,193,964	\$1,417,803	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,417,803	
	OPERATIONS												
220	TRAVEL- Off-Island/Local Mileage Reimburs:	16,331	0	0	0	0	0	0	0	0	0	0	
230	CONTRACTUAL SERVICES:	195,648	78,674	150,359	0	0	0	0	0	0	0	150,359	
233	OFFICE SPACE RENTAL:	120,971	122,260	122,260	0	0	0	0	0	0	0	122,260	
240	SUPPLIES & MATERIALS:	244	1,000	1,000	0	0	0	0	0	0	0	1,000	
250	EQUIPMENT:	10,581	0	0	0	0	0	0	0	0	0	0	
270	WORKERS COMPENSATION:	0	0	0	0	0	0	0	0	0	0	0	
271	DRUG TESTING:	0	0	0	0	0	0	0	0	0	0	0	
280	SUB-RECIPIENT/SUBGRANT:	0	0	0	0	0	0	0	0	0	0	0	
290	MISCELLANEOUS:	3,029	1,000	1,000	0	0	0	0	0	0	0	1,000	
	TOTAL OPERATIONS	\$347,004	\$202,934	\$274,619	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$274,619	
	UTILITIES												
361	Power:	0	0	0	0	0	0	0	0	0	0	0	
362	Water/ Sewer:	1,035	0	1,035	0	0	0	0	0	0	0	1,035	
363	Telephone/ Toll:	2,491	0	2,890	0	0	0	0	0	0	0	2,890	
	TOTAL UTILITIES	\$3,526	\$0	\$3,925	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$3,925	
450	CAPITAL OUTLAY	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
	TOTAL APPROPRIATIONS	\$1,514,590	\$1,396,898	\$1,696,347	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,696,347	
	1/ Specify Fund Source (See Note 1 below)												
	FULL TIME EQUIVALENCIES (FTEs)												
	UNCLASSIFIED:	5	4	4	0	0	0	0	0	0	0	4	
	CLASSIFIED:	12	14	14	0	0	0	0	0	0	0	14	
	TOTAL FTEs	17.00	18.00	18.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	18.00	

Note: (1) This does not include the carry over authorization of \$135,471 for a final budget of \$1,532,369.

Schedule A - Off-Island Travel

Department/Agency: Office of Public Accountability

Division: Office of Public Accountability

Program: Office of Public Accountability

Purpose / Justification for Travel				
Travel Date: _____			No. of Travelers: _____ 1/	
Position Title of Traveler(s)	Air Fare	Per diem 2/	Registration	Total Cost
	\$ -	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -	\$ -

Purpose / Justification for Travel				
Travel Date: _____			No. of Travelers: _____ 1/	
Position Title of Traveler(s)	Air Fare	Per diem 2/	Registration	Total Cost
	\$ -	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -	\$ -

Purpose / Justification for Travel				
Travel Date: _____			No. of Travelers: _____ 1/	
Position Title of Traveler(s)	Air Fare	Per diem 2/	Registration	Total Cost
	\$ -	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -	\$ -

1/ Provide justification for multiple travelers attending the same conference / training / etc.

2/ Rates must be consistent with Title 5 GCA, Div.2, Ch.23, §23104 and federal Joint Travel Regulations

Schedule B - Contractual

Item	Quantity	Unit Price	FY 2019 Request	FY 2018 Authorized	Variance Increase/ (Decrease)
Website Hosting & Maintenance	12	\$1,050.00	\$ 12,600.00	\$ 12,600.00	\$ -
OPA Consulting Services (computer, personnel, payroll, audit)	12	\$932.00	\$ 11,184.00	\$ 11,176.00	\$ 12,824.00
OPA Legal Services	1	\$7,500.00	\$ 7,500.00	\$ -	\$ 7,500.00
Hearing Officers	12	\$5,000.00	\$ 60,000.00	\$ 26,178.00	\$ 33,822.00
MCOG FY 2017 & FY 2018 Financial Audit	1	\$30,000.00	\$ 30,000.00	\$ -	\$ 30,000.00
OPA Copier Lease, Maintenance & Supply Plan	12	\$310.00	\$ 3,720.00	\$ 3,720.00	\$ -
Professional Publications & Subscription	3	\$385.00	\$ 1,155.00	\$ -	\$ 1,155.00
Professional Association Memberships	18	\$150.00	\$ 2,700.00	\$ -	\$ 2,700.00
TeamMate Annual Maintenance Fee	1	\$15,000.00	\$ 15,000.00	\$ 15,000.00	\$ -
Vehicle Maintenance	1	\$400.00	\$ 400.00	\$ -	\$ 400.00
NASACT & PASAI Membership Dues	1	\$6,100.00	\$ 6,100.00	\$ -	\$ 6,100.00
Total Contractual			\$ 150,359.00		

Schedule C - Supplies & Materials

Item	Quantity	Unit Price	FY 2019 Request	FY 2018 Authorized	Variance Increase/ (Decrease)
General Office Supplies	1	\$200.00	\$ 200.00	\$ 200.00	\$ -
Fuel	1	\$800.00	\$ 800.00	\$ 800.00	\$ -
Total Supplies & Materials			\$ 1,000.00		

Schedule D - Equipment

Item	Quantity	Unit Price	FY 2019 Request	FY 2018 Authorized	Variance Increase/ (Decrease)
	0	\$0.00	\$ -	\$ -	\$ -
Total Equipment			\$ -		

Schedule E - Miscellaneous

Item	Quantity	Unit Price	FY 2019 Request	FY 2018 Authorized	Variance Increase/ (Decrease)
Others	1	\$1,000.00	\$ 1,000.00	\$ 1,000.00	\$ -
	0	\$0.00	\$ -	\$ -	\$ -
Total Miscellaneous			\$ 1,000.00		

Schedule F - Capital Outlay

Item	Quantity	Unit Price	FY 2019 Request	FY 2018 Authorized	Variance Increase/ (Decrease)
	0	\$0.00	\$ -	\$ -	\$ -
Total Capital Outlay			\$ -		

Government of Guam
Fiscal Year 2019
Agency Staffing Pattern
(PROPOSED)

[BBMR SP-

FUNCTIONAL AREA: OFFICE OF PUBLIC ACCOUNTABILITY
DEPARTMENT/AGENCY: OFFICE OF PUBLIC ACCOUNTABILITY
PROGRAM: OFFICE OF PUBLIC ACCOUNTABILITY
FUND: GENERAL FUND

(A) No.	(B) Position Title I/	(C) Name of Incumbent	(D) Grade/ Step	(E) Salary	(F) Overtime	(G) Special*	(H) Increment		(I) Aml.	(J) Subtotal (E-F+G+I)	(K) Retirement (J * 27.83%) 2/	(L) Retire (DDI) (\$19,01*26PP) 3/	(M) Social Security (6.2% * J)	(N) Medicare (1.45% * J)	(O) Life 4/	(P) Input by Department		(R) Total Benefits (K thru Q)	(S) (J + R) TOTAL	
							Date	Amount								Medical (Premium)	Dental (Premium)			
1	Public Auditor	Doris F. Brooks	PA-01	\$ 100,000	\$ -	\$ 15,000	-	-	\$ -	\$ 115,000	\$ 32,005	\$ 495	\$ -	\$ 1,668	\$ 187	\$ -	\$ -	\$ 34,355	\$ 149,355	
2	Administrative Services Officer	Marisol M. Andrade	N-01	\$ 45,014	\$ -	\$ -	12/25/2018	\$ 1,422	\$ -	\$ 46,436	\$ 12,923	\$ 495	\$ -	\$ -	\$ 673	\$ 187	\$ 1,671	\$ 229	\$ 16,178	\$ 62,614
3	Special Assistant	Rodilyn May A. Gerardo	R-08	\$ 84,632	\$ -	\$ 12,695	1/5/2019	\$ 2,014	\$ -	\$ 99,341	\$ 27,647	\$ 495	\$ -	\$ 1,440	\$ 187	\$ 1,246	\$ 204	\$ 31,219	\$ 130,560	
4	Auditor III	Jerrick J.J.G. Hernandez	N-05	\$ 52,235	\$ -	\$ -	2/6/2019	\$ 1,319	\$ -	\$ 53,554	\$ 14,904	\$ 495	\$ -	\$ 777	\$ 187	\$ 1,246	\$ 204	\$ 17,813	\$ 71,367	
5	Deputy Public Auditor	Yukari B. Hechanova	-	\$ 88,590	\$ -	\$ 13,289	10/20/2019	\$ -	\$ -	\$ 101,879	\$ 28,353	\$ 495	\$ -	\$ 1,477	\$ 187	\$ 1,671	\$ 229	\$ 32,412	\$ 134,291	
6	Auditor III	Clariza Mae G. Roque	N-05	\$ 52,235	\$ -	\$ -	2/6/2019	\$ 1,319	\$ -	\$ 53,554	\$ 14,904	\$ 495	\$ -	\$ 777	\$ 187	\$ 1,246	\$ 204	\$ 19,079	\$ 72,633	
7	Auditor III	Maria Thyra D. Bagana	N-05	\$ 52,235	\$ -	\$ -	2/6/2019	\$ 1,319	\$ -	\$ 53,554	\$ 14,904	\$ 495	\$ -	\$ 777	\$ 187	\$ 1,246	\$ 204	\$ 19,508	\$ 73,062	
8	Accountability Auditor II	Amaris V. Legaspi	M-02	\$ 42,307	\$ -	\$ -	6/19/2019	\$ 534	\$ -	\$ 42,841	\$ 11,923	\$ 495	\$ -	\$ 621	\$ 187	\$ 1,986	\$ -	\$ 15,212	\$ 58,053	
9	Accountability Auditor I	Christian S. Rivera	L-03	\$ 39,965	\$ -	\$ -	12/25/2018	\$ 1,262	\$ -	\$ 41,227	\$ 11,473	\$ 495	\$ -	\$ 598	\$ 187	\$ 1,246	\$ 204	\$ 14,203	\$ 55,430	
10	Accountability Auditor I	Andriana L. Quitugua	L-03	\$ 39,965	\$ -	\$ 3,997	12/25/2018	\$ 1,262	\$ -	\$ 45,224	\$ 12,586	\$ 495	\$ -	\$ 656	\$ 187	\$ -	\$ -	\$ 13,924	\$ 59,148	
11	Auditor III	Vincent Jon G. Duenas	N-13	\$ 67,866	\$ -	\$ -	7/24/2019	\$ 539	\$ -	\$ 68,405	\$ 19,037	\$ 495	\$ -	\$ 992	\$ 187	\$ 2,772	\$ 373	\$ 23,856	\$ 92,261	
12	Accountability Auditor III	Edlyn M. Dalsay	O-01	\$ 49,897	\$ -	\$ 7,485	12/25/2018	\$ 1,575	\$ -	\$ 58,957	\$ 16,408	\$ 495	\$ -	\$ 855	\$ 187	\$ 1,246	\$ 204	\$ 19,395	\$ 78,352	
13	Accountability Director	Vacant	L-01	\$ -	\$ -	\$ -	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
14	Managing Accountability Auditor	Vacant	S-01	\$ -	\$ -	\$ -	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
15	Executive Secretary	Llewelyn R. Terlaje	Q-08	\$ 78,001	\$ -	\$ 7,800	12/1/2019	\$ -	\$ -	\$ 85,801	\$ 23,878	\$ 495	\$ -	\$ 1,244	\$ 187	\$ 1,986	\$ 269	\$ 28,059	\$ 113,860	
16	Auditor I	Ira Marie Palero	L-02	\$ 38,506	\$ -	\$ -	6/25/2019	\$ 486	\$ -	\$ 38,992	\$ 10,851	\$ 495	\$ -	\$ 565	\$ 187	\$ 1,246	\$ 204	\$ 13,548	\$ 52,540	
17	Auditor II	Vacant	M-01	\$ -	\$ -	\$ -	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
18	Accountability Auditor I	Anna J. Manibusan	L-01	\$ 37,100	\$ -	\$ -	3/12/2019	\$ 820	\$ -	\$ 37,920	\$ 10,553	\$ 323	\$ -	\$ 550	\$ 122	\$ 1,246	\$ 204	\$ 12,998	\$ 50,918	
19	Accountability Auditor II	Michele S. Brillante	M-04	\$ 45,574	\$ -	\$ -	6/19/2019	\$ 576	\$ -	\$ 46,150	\$ 12,844	\$ 495	\$ -	\$ 669	\$ 187	\$ 1,246	\$ 204	\$ 15,645	\$ 61,795	
20	Accountability Auditor I	Frederick D. Jones	L-01	\$ 37,100	\$ -	\$ -	12/25/2018	\$ 1,172	\$ -	\$ 38,272	\$ 10,651	\$ 495	\$ -	\$ 555	\$ 187	\$ -	\$ -	\$ 11,888	\$ 50,160	
21	Accountability Auditor I	Vanessa D. Valencia	L-01	\$ 37,100	\$ -	\$ -	12/25/2018	\$ 1,172	\$ -	\$ 38,272	\$ 10,651	\$ 495	\$ -	\$ 555	\$ 187	\$ 1,246	\$ -	\$ 13,134	\$ 51,406	
22																				
23																				
		Grand Total:	----	\$ 988,322	\$ -	\$ 60,264	----	\$ 16,791	\$ 1,065,377	\$ 296,495	\$ 8,738	\$ -	\$ 15,449	\$ 3,301	\$ 25,337	\$ 3,105	\$ 352,425	\$ 1,417,803		

* Night Differential / Hazardous / Worker's Compensation / etc.
1/ Indicate "(LTA)" or "(Temn.)" next to Position Title (where applicable).

Government of Guam
Fiscal Year 2019
Agency Staffing Pattern
(PROPOSED)

[BBMR SP-

Input by Department												
No.	(A) Position Number	(B) Position Title	(C) Name of Incumbent	(D) Holiday Pay	(E) Special Pay Categories						(J) EMT Pay 15%	(K) (D+E+F+G+H+I+J) Subtotal
					(F) 1/ Night Differential Pay 10%	(G) 2/ Hazard 10%	(H) 3/ Hazard 8%	(I) 4/ Nurse Sunday Pay 1.5	(I) 5/ Nurse Pay 1.5	(J) 6/ EMT Pay 15%		
1		Public Auditor	Doris F. Brooks	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2		Administrative Services Officer	Marisol M. Andrade	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3		Special Assistant	Rodilyn May A. Gerardo	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4		Auditor III	Jerrick J.J.G. Hernandez	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5		Deputy Public Auditor	Yukari B. Hechanova	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
6		Auditor III	Clariza Mae G. Roque	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
7		Auditor III	Maria Thyrsa D. Bagana	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
8		Accountability Auditor II	Anacris V. Legaspi	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
9		Accountability Auditor I	Christian S. Rivera	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
10		Accountability Auditor I	Andriana U. Quitugua	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
11		Auditor III	Vincent Jon G. Duenas	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
12		Accountability Auditor III	Edlyn M. Dalisay	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
13		Accountability Director	Vacant	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
14		Managing Accountability Auditor	Vacant	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
15		Executive Secretary	Ljwelyn R. Terlaje	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
16		Auditor I	Ira Marie Palero	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
17		Auditor II	Vacant	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
18		Accountability Auditor I	Anna J. Manibusan	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
19		Accountability Auditor II	Michele S. Brillante	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
20		Accountability Auditor I	Frederick D. Jones	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
21		Accountability Auditor I	Vanessa D. Valencia	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
22												
23												
			Grand Total:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

- 1/ 10% of reg. rate, applicable from 6pm-6am, employee must work 4 hours consecutive after 6pm for entitlement of the pay
- 2/ Applies to law enforcement personnel
- 3/ Applies to solid waste employees
- 4/ 1/2 of reg. rate of pay from 12am-6am, employee must work 4 hours consecutive after 6am for entitlement of the pay

Government of Guam
Fiscal Year 2018
Agency Staffing Pattern
(CURRENT)

[BBMR SP-]

FUNCTIONAL AREA: OFFICE OF PUBLIC ACCOUNTABILITY
DEPARTMENT/AGENCY: OFFICE OF PUBLIC ACCOUNTABILITY
PROGRAM: OFFICE OF PUBLIC ACCOUNTABILITY
FUND: GENERAL FUND

(A) No.	(B) Position Title I/ Title II	(C) Name of Incumbent	(D) Grade/Step	(E) Salary	(F) Overtime	(G) Special*	(H) Date	(I) Increment Amt.	Input by Department										(S) (J+R) TOTAL
									(J) (E+F+G+I) Subtotal	(K) Retirement (J * 27.83%)	(L) Retire (DDI) (\$19.01*26PP)	(M) Social Security (6.2% * J)	(N) Medicare (1.45% * J)	(O) Life	(P) Medical (Premium)	(Q) Dental (Premium)	(R) Total Benefits (K thru Q)		
1	Public Auditor	Doris E. Brooks	PA-01	\$ 100,000	\$ -	\$ 15,000	-	\$0	\$ 115,000	\$ 32,005	\$ 495	\$ -	\$ 1,668	\$ 187	\$ 2,772	\$ 373	\$ 37,500	\$ 152,500	
2	Administrative Services Officer	Marisol M. Andrade	N-01	\$ 45,014	\$ -	\$ -	12/25/2018	0	\$ 45,014	\$ 12,527	\$ 495	\$ -	\$ 653	\$ 187	\$ 1,671	\$ 229	\$ 15,762	\$ 60,776	
3	Special Assistant	Rodilyn May A. Gerardo	R-08	\$ 84,632	\$ -	\$ 12,695	1/5/2019	0	\$ 97,327	\$ 27,086	\$ 495	\$ -	\$ 1,411	\$ 187	\$ 1,246	\$ 204	\$ 30,629	\$ 127,956	
4	Auditor III	Jerrick J.L.G. Hernandez	N-05	\$ 52,235	\$ -	\$ -	2/6/2019	0	\$ 52,235	\$ 14,537	\$ 495	\$ -	\$ 757	\$ 187	\$ 1,246	\$ 204	\$ 17,426	\$ 69,661	
5	Deputy Public Auditor	Yukari B. Hechanova	-	\$ 88,590	\$ -	\$ 13,289	10/20/2019	0	\$ 101,879	\$ 28,353	\$ 495	\$ -	\$ 1,477	\$ 187	\$ 1,671	\$ 229	\$ 32,412	\$ 134,291	
6	Auditor III	Clariza Mae G. Roque	N-05	\$ 52,235	\$ -	\$ -	2/6/2019	0	\$ 52,235	\$ 14,537	\$ 495	\$ -	\$ 757	\$ 187	\$ 2,512	\$ 204	\$ 18,692	\$ 70,927	
7	Auditor III	Maria Thyra D. Bagana	N-05	\$ 52,235	\$ -	\$ -	2/6/2019	0	\$ 52,235	\$ 14,537	\$ 495	\$ -	\$ 757	\$ 187	\$ 2,772	\$ 373	\$ 19,121	\$ 71,356	
8	Accountability Auditor II	Amaris V. Legaspi	M-01	\$ 40,762	\$ -	\$ -	6/19/2018	515	\$ 41,277	\$ 11,487	\$ 495	\$ -	\$ 599	\$ 187	\$ 1,986	\$ -	\$ 14,754	\$ 56,031	
9	Accountability Auditor I	Christian S. Rivera	L-03	\$ 39,965	\$ -	\$ -	12/25/2018	0	\$ 39,965	\$ 11,122	\$ 495	\$ -	\$ 579	\$ 187	\$ 1,246	\$ 204	\$ 13,833	\$ 53,798	
10	Accountability Auditor I	Andriana U. Quitua	L-03	\$ 39,965	\$ -	\$ 3,997	12/25/2018	0	\$ 43,962	\$ 12,234	\$ 495	\$ -	\$ 637	\$ 187	\$ -	\$ -	\$ 13,553	\$ 57,515	
11	Auditor III	Vincent Jon G. Duenas	N-13	\$ 67,866	\$ -	\$ -	7/24/2019	0	\$ 67,866	\$ 18,887	\$ 495	\$ -	\$ 984	\$ 187	\$ 2,772	\$ 373	\$ 23,698	\$ 91,564	
12	Accountability Auditor III	Edlyn M. Dailsay	O-01	\$ 49,897	\$ -	\$ 7,485	12/25/2018	0	\$ 57,382	\$ 15,969	\$ 495	\$ -	\$ 832	\$ 187	\$ 1,246	\$ 204	\$ 18,933	\$ 76,315	
13	Accountability Auditor II	Vacant	M-01	\$ -	\$ -	\$ -	-	0	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
14	Accountability Auditor II	Vacant	M-01	\$ -	\$ -	\$ -	-	0	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
15	Executive Secretary	Llewelyn R. Terlaje	Q-08	\$ 78,001	\$ -	\$ 7,800	12/1/2019	0	\$ 85,801	\$ 23,878	\$ 495	\$ -	\$ 1,244	\$ 187	\$ 1,986	\$ 269	\$ 28,059	\$ 113,860	
16	Auditor I	Ira Marie Palero	L-01	\$ 37,100	\$ -	\$ -	6/25/2018	469	\$ 37,569	\$ 10,455	\$ 495	\$ -	\$ 545	\$ 187	\$ 1,246	\$ 204	\$ 13,132	\$ 50,701	
17	Accountability Auditor II	Vacant	M-01	\$ -	\$ -	\$ -	-	0	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
18	Accountability Auditor I (Partially Fund	Anna J. Manibusan	L-01	\$ 20,695	\$ -	\$ -	3/12/2018	0	\$ 20,695	\$ 5,759	\$ 285	\$ -	\$ 300	\$ 108	\$ 1,246	\$ 204	\$ 7,902	\$ 28,597	
19	Accountability Auditor II	Michele S. Brillante	M-03	\$ 43,910	\$ -	\$ -	6/19/2018	555	\$ 44,465	\$ 12,375	\$ 495	\$ -	\$ 645	\$ 187	\$ 719	\$ 118	\$ 14,539	\$ 59,004	
20	Accountability Auditor I	Frederick D. Jones	L-01	\$ 37,100	\$ -	\$ -	12/25/2018	0	\$ 37,100	\$ 10,325	\$ 495	\$ -	\$ 538	\$ 187	\$ -	\$ -	\$ 11,545	\$ 48,645	
21	Accountability Auditor I	Vanessa D. Valencia	L-01	\$ 37,100	\$ -	\$ -	12/25/2018	0	\$ 37,100	\$ 10,325	\$ 495	\$ -	\$ 538	\$ 187	\$ 1,246	\$ -	\$ 12,791	\$ 49,891	
22																			
23																			
24																			
25																			
Grand Total:									\$ 1,029,105	\$ 286,398	\$ 8,700	\$ -	\$ 14,921	\$ 3,287	\$ 27,582	\$ 3,392	\$ 344,280	\$ 1,373,386	

**Government of Guam
Fiscal Year 2018
Agency Staffing Pattern
(CURRENT)**

[BBMR SP-

Input by Department												
Special Pay Categories												
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)		
No.	Position Title	Name of Incumbent	Holiday Pay	1/ Night Differential Pay 10%	2/ Hazard 10%	3/ Hazard 8%	4/ Nurse Sunday Pay 1.5	5/ Nurse Pay 1.5	6/ EMT Pay 15%	(D+E+F+G+H+I+J) Subtotal		
1	Public Auditor	Doris F. Brooks	\$	\$	\$	\$	\$	\$	\$	\$	\$	
2	Administrative Services Officer	Marisol M. Andrade	\$	\$	\$	\$	\$	\$	\$	\$	\$	
3	Special Assistant	Rodalyn May A. Gerardo	\$	\$	\$	\$	\$	\$	\$	\$	\$	
4	Auditor III	Jerrick J.J.G. Hernandez	\$	\$	\$	\$	\$	\$	\$	\$	\$	
5	Deputy Public Auditor	Yukari B. Hechanova	\$	\$	\$	\$	\$	\$	\$	\$	\$	
6	Auditor III	Clariza Mae G. Roque	\$	\$	\$	\$	\$	\$	\$	\$	\$	
7	Auditor III	Maria Thyrsa D. Bagana	\$	\$	\$	\$	\$	\$	\$	\$	\$	
8	Accountability Auditor II	Amacris V. Legaspi	\$	\$	\$	\$	\$	\$	\$	\$	\$	
9	Accountability Auditor I	Christian S. Rivera	\$	\$	\$	\$	\$	\$	\$	\$	\$	
10	Accountability Auditor I	Andriana U. Quitugua	\$	\$	\$	\$	\$	\$	\$	\$	\$	
11	Auditor III	Vincent Jon G. Duenas	\$	\$	\$	\$	\$	\$	\$	\$	\$	
12	Accountability Auditor III	Edlyn M. Dalisay	\$	\$	\$	\$	\$	\$	\$	\$	\$	
13	Accountability Auditor II	Vacant	\$	\$	\$	\$	\$	\$	\$	\$	\$	
14	Accountability Auditor II	Vacant	\$	\$	\$	\$	\$	\$	\$	\$	\$	
15	Executive Secretary	Llewelyn R. Terlaje	\$	\$	\$	\$	\$	\$	\$	\$	\$	
16	Auditor I	Ira Marie Palero	\$	\$	\$	\$	\$	\$	\$	\$	\$	
17	Accountability Auditor II	Vacant	\$	\$	\$	\$	\$	\$	\$	\$	\$	
18	Accountability Auditor I (Partially fund	Anna J. Manibusan	\$	\$	\$	\$	\$	\$	\$	\$	\$	
19	Accountability Auditor II	Michele S. Brillante	\$	\$	\$	\$	\$	\$	\$	\$	\$	
20	Accountability Auditor I	Frederick D. Jones	\$	\$	\$	\$	\$	\$	\$	\$	\$	
21	Accountability Auditor I	Vanessa D. Valencia	\$	\$	\$	\$	\$	\$	\$	\$	\$	
22												
23												
		Grand Total:	\$	\$	\$	\$	\$	\$	\$	\$	\$	

1/ 10% of reg. rate, applicable from 6pm-6am, employee must work 4 hours consecutive after 6pm for entitlement of the pay

Bureau of Budget Management Research
 Prior Year Obligations (FY 2018 and Prior FYs)

BBMR PYO-1

A	B	C	D	E	F	G
Transaction/ Obligation Date	Transaction Type	Vendor	General Fund (\$)	Special Fund (\$)	Federal Fund (\$)	Reasons for Nonsubmittal or Nonpayment
		** THERE ARE NO PRIOR YEAR OBLIGATIONS FOR OPA **				
Total			\$0.00	\$0.00	\$0.00	

Note:

Column A: Completion date of transaction or event prior to October 1, 2018.

Column B: Transaction Type such as personnel action, contracts, etc.

Column C: Vendor or Party owed

Column D, E, & F: Identify funding source and dollar amount inclusive of associated penalties or fees; if more than one transaction, need to total all transactions.

Column G: Note item of concern.



Office of Public Accountability

FY 2019 – Budget Presentation



Overview of Agency Mandate

- The Office of Public Accountability (OPA) was established by Public Law (P.L.) 21-122 on July 20, 1992.
- The OPA is an instrumentality of the Government of Guam (GovGuam), independent of the executive, legislative, and judicial branches.
- OPA's enabling legislation is codified in Title 1 Guam Code Annotated (GCA) Chapter 19.



Motto, Mission & Vision

Motto

“Auditing for Good Governance”

Mission

To ensure the public trust and assure good governance, we conduct audits and administer procurement appeals, independently, impartially, and with integrity.

Vision

Guam is the model for good governance in the Pacific.
OPA is a model robust audit office.



Goals & Objectives

To ensure the public trust and assure good governance, we will:

- Protect the independence of OPA;
- Deliver impactful, reliable, and quality reports;
- Recruit and retain qualified staff; and
- Increase public knowledge and trust of OPA’s mission, work, and impact.



Core Values

Objectivity:

To have an independent and impartial mind.

Professionalism:

To adhere to ethical and professional standards.

Accountability:

To be responsible and transparent in our actions.



1 GCA §1908

- The Public Auditor shall annually audit or cause to be conducted post audits of all the transactions and accounts of all departments, offices, corporations, authorities, and agencies in all branches of GovGuam.
- The Public Auditor may conduct the audit through her staff or may retain the services of an independent audit firm or organization, which shall be under the direction and supervision of the Public Auditor.



1 GCA §1909

- Conduct audits of government programs and entities to determine if goals and objectives are being achieved effectively, economically, and efficiently.
- Direct and supervise all financial and management audits conducted pursuant to §1908, so that annual audits are completed for the prior fiscal year no later than June 30.
- Submit reports to the Governor and the Legislature that include recommendations for necessary legislation to improve and to protect the integrity of the financial transactions and condition of the government.
- Report to the Attorney General (AG) of Guam for prosecution of violations of law, where such violations pertain to the expenditures of funds and property of GovGuam.
- Hear and decide all procurement appeals that arise under 5 GCA §5425(c), as provided for by 5 GCA §5425(e).



OPA's Stakeholders

- The People of Guam
- Governor, Senators, and all Elected Officials of Guam
- All GovGuam branches, departments, and instrumentalities
- Federal Government
- Boards and Commissions
- Private businesses as vendors of GovGuam



Future Outlook & Goals

We envision Guam as the model for good governance in the Pacific and strive to be a model robust audit office. OPA will:

- Implement recommendations from the independent assessment of OPA based on the International Organization of Supreme Audit Institutions (INTOSAI) Development Initiative's Performance Measurement Framework sponsored by the Pacific Association of Supreme Audit Institutions (PASAI), which:
 - Provides a holistic overview of OPA's performance against international standards and good practices.
 - Identifies OPA's strengths and weaknesses
 - Assesses OPA's capacity development needs.
 - Identifies OPA's value and benefit to the people of Guam.
 - Measures OPA's performance over time.



Future Outlook & Goals

- Issue performance audits to improve the accountability, transparency, effectiveness, efficiency, and economy of government programs and agencies.
- Monitor the General Fund's balance and find ways to reduce revenue loss, enhance revenue collections, and identify cost savings.
- Expeditiously issue decisions on procurement appeals.
 - Resolve appeals within 120 days of filing.
 - Render decisions within 30 days of the hearing's conclusion.



Future Outlook & Goals

- Issue GovGuam and component unit financial audits within 6 months after the fiscal year to provide more timely information.
 - Over 40 states and 3,600 jurisdictions, cities, and counties already issue their audits within 6 months after the fiscal year.
 - PASAI's Strategic Plan for 2014-2024 commits to significantly improving timeliness and quality of financial audits.
 - On Guam, 10 agencies out of 23 issued their FY 2016 financial audits within 6 months after the fiscal year.
 - Propose legislation to require GovGuam agencies to issue financial audits within 6 months of the fiscal year.
 - To qualify for the Certificate of Achievement for Excellence in Financial Reporting program administered by the Government Finance Officers Association (GFOA).



Future Outlook & Goals

- Improve the quality of GovGuam financial reporting.
 - Increase the number of low-risk auditees among GovGuam agencies receiving federal awards subject to the Single Audit Act.
 - Decrease the number of material weaknesses and significant deficiencies in GovGuam agencies not subject to the Single Audit Act.
 - For all agencies not receiving federal funding, to achieve the similar low-risk (OPA recognition) by attaining a clean audit opinion, no material weaknesses, and no significant deficiencies for three consecutive years.
 - No questioned costs in all GovGuam financial audits.



Value in OPA's Mission

- Accountability [and Transparency] for use of public resources and government authority is key to our nation's governing processes (Generally Accepted Government Auditing Standards (GAGAS) 1.01).
- Government auditing is essential in providing accountability to legislators, oversight bodies, those charged with governance, and the public (GAGAS 1.03).
- Auditing is essential to the credibility of accounting and financial reporting by state and local governments (GFOA Elected Officials Guide to Auditing, pg. vii).
- Auditing provides reasonable assurance our government is:
 - Operating in accordance with laws, rules, regulations, policies, and procedures;
 - Functioning economically, efficiently, and effectively; and
 - Responding to citizens' needs.

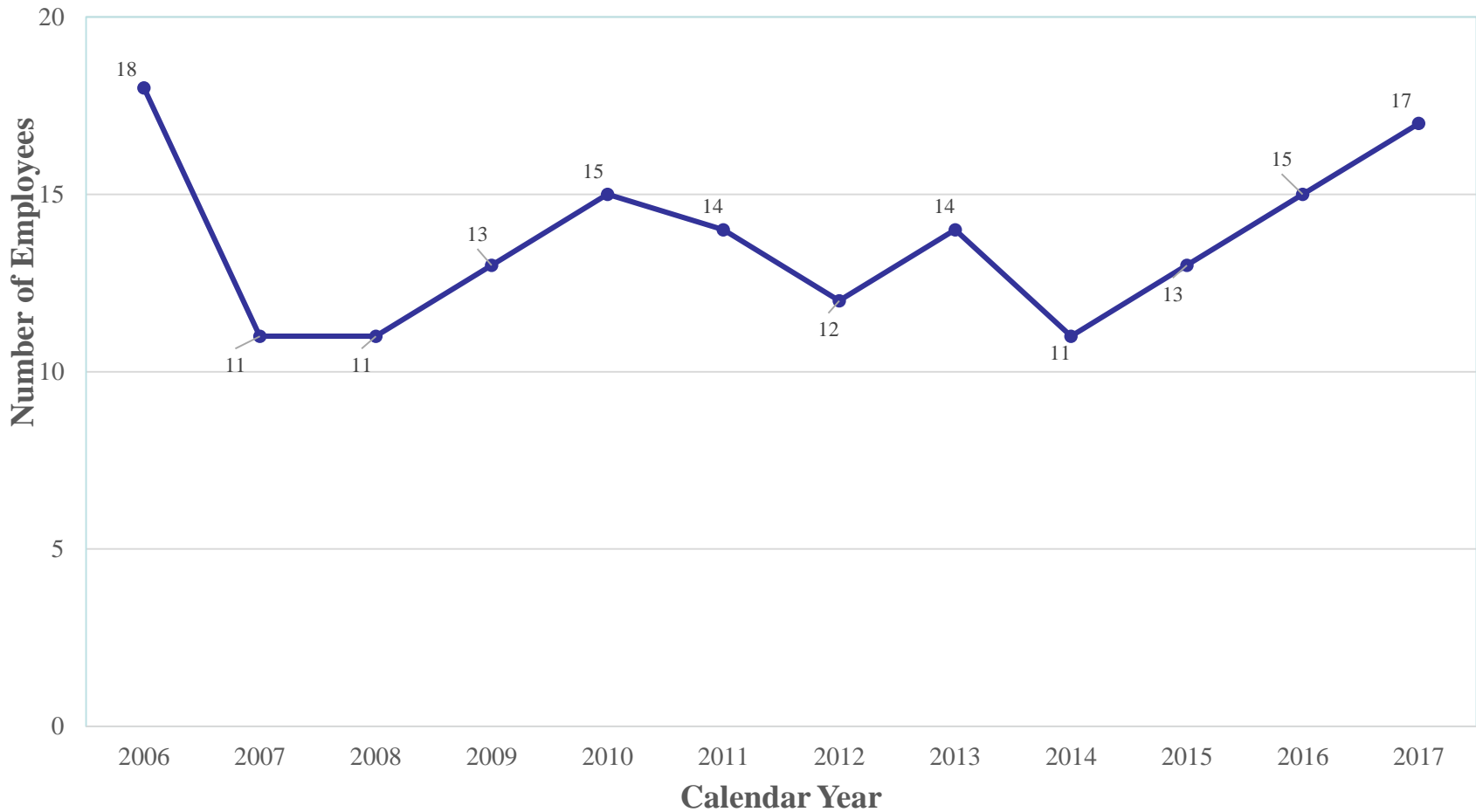


Staffing Levels

- As of February 2018, OPA's staff consists of:
 - The Public Auditor with 17+ years of OPA service
 - 3 supervisors averaging 13+ years of OPA service
 - 1 Administrative Officer with 2+ years of OPA service
 - 12 staff auditors averaging 4.3 years of OPA service
- OPA contracts 1 primary Hearing Officer and 2 Conflicts Attorneys for Procurement Appeals on an as needed basis.
- As of February 2018, OPA's total staffing is 17, the highest since 2007.
- Since July 2016, we hired four auditors: one Auditor III, two Accountability Auditor I's, and one Auditor I.



Staffing Levels





Staffing Level Challenges

- Staffing shortages due to difficulties with recruitment, compensation, promotion, and retention have challenged OPA operations and productivity for many years.
- OPA's highest staffing was in 2006, when OPA had 18 full time employees in the unclassified service.
- Since then, OPA has lost 26 employees of which:
 - 11 professional staff left due to jobs offering \$4,000 - \$23,000 more for annual salaries and better opportunities for professional career growth.
 - The pay received by 14 of the employees at their new positions is unknown, and
 - One of the employees laterally transferred to another agency.



Public Law 33-226

- OPA is grateful to the Legislature for the enactment of P.L. 33-226 in January 2017.
- This law gives the OPA much needed relief from the staffing challenges we've faced throughout the years.
- To ensure a smooth transition, we developed an MOU with DOA to outline our respective responsibilities.



Public Law 33-226

- With this new hiring autonomy, we have been able to convert seven employees to the new Accountability Auditor positions, bringing us to one less employee than our 2006 staffing levels.
- Leading Edge Consulting Group as our consultant for human resource matters.
- Based on the small number of OPA staff, it would not be cost effective to hire a full time Human Resources Specialist.



New OPA Auditor Positions

- We addressed compensation, promotion, and retention through the 2014 OPA Compensation Study developed by Dr. Karri Perez, PMP, SPHR, GPHR of Leading Edge Consulting Group.
- The proposed OPA positions from the Compensation Study were transmitted to DOA in March 2016 for their review and approval per 4 GCA § 6303.
- The study was done based on
 - OPA’s alarming attrition rate, and
 - OPA’s inability to compete with higher salaries at other GovGuam agencies.



New OPA Auditor Positions

- In October 2017, the final plan creating the new Accountability Auditor Series positions was approved. The positions included the following:
 - Accountability Auditor I
 - Accountability Auditor II
 - Accountability Auditor III
 - Supervising Accountability Auditor
 - Managing Accountability Auditor, and
 - Accountability Director
- The final approved plan was not what was originally submitted. There were many back and forth discussions with DOA. In the end, certain positions were removed and certain positions received lower pay.
 - For example, the pay for the Accountability Auditor I and II positions decreased to be the same as the Auditor I and II positions for other GovGuam agencies.



New OPA Auditor Positions

- The Public Auditor acquiesced as “half a loaf is better than no loaf.”
- The median salary for all OPA auditors (excluding the Public Auditor) as of February 2017 is \$50,328. This is \$18K less than the \$68,150 U.S. median.¹
- The average salary for all OPA auditors (excluding the Public Auditor) is \$55,579. This is still lower than the average earnings of GovGuam Non-Uniformed employees of \$57,722 and Uniformed employees of \$89,611.²
- The 2014 Competitive Wage Act only increased OPA salaries by \$1.05 per hour or \$2,172 per year, which was not significant enough to compete with other GovGuam agencies.

¹ https://www.bls.gov/ooh/business-and-financial/accountants-and-auditors.htm#TB_inline?height=325&width=325&inlineId=qf-w

² Milliman Actuarial Valuation Report as of as of September 30, 2016, issued January 26, 2018, page 14.



New OPA Auditor Positions

- The Compensation Study is the basis for new positions for OPA auditors who:
 - Perform various audits, reviews, and analyses,
 - Have jurisdiction to audit the entire government,
 - Have oversight over the annual financial audits, and
 - Handle procurement appeals.
- OPA auditors are now more appropriately known as “Accountability Auditors”.
- Other GovGuam auditors mainly conduct limited-scope internal audits within their respective organizations.



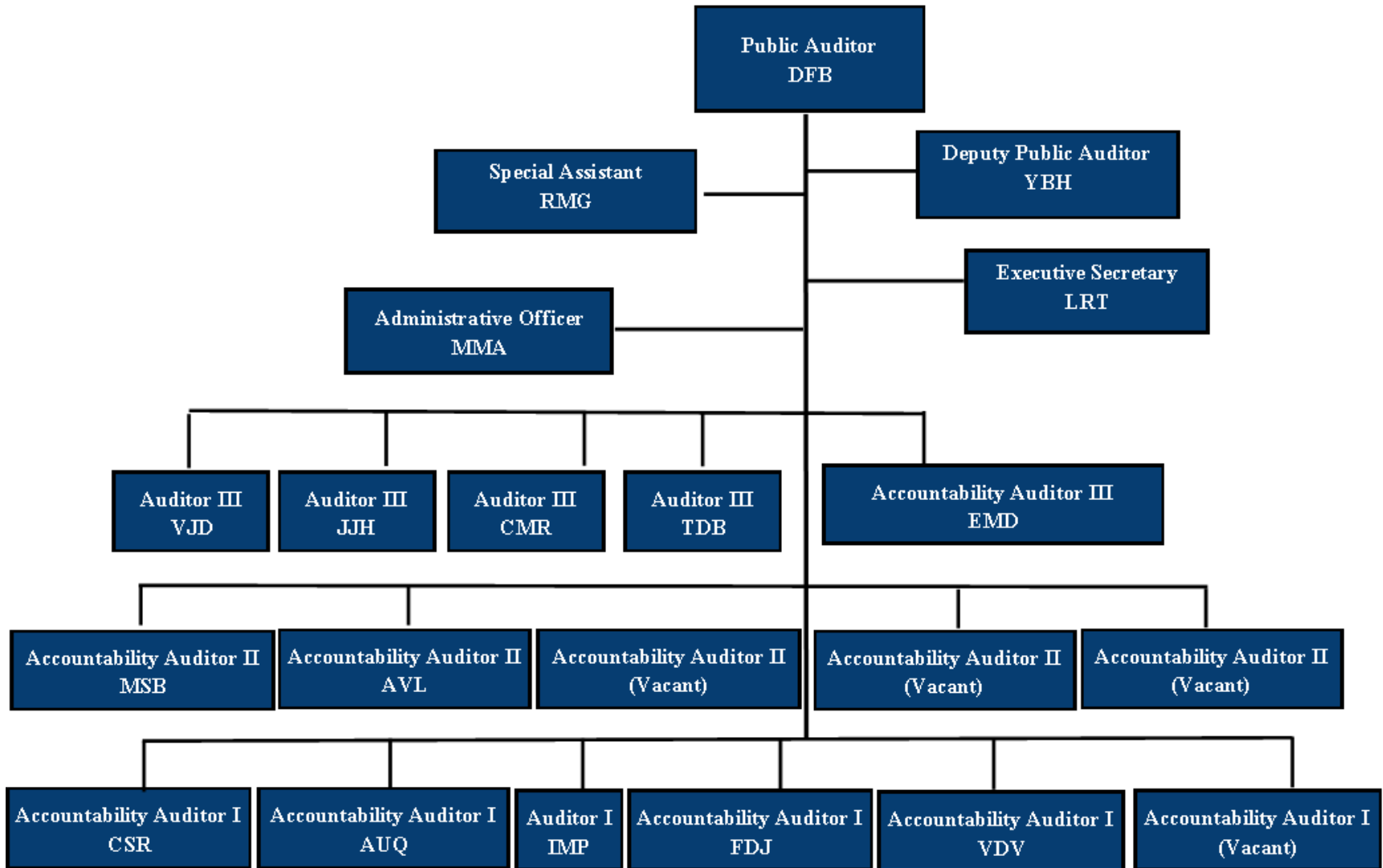
Public Auditor's Salary

- Pursuant to 1 GCA §1907 the Public Auditor's salary is statutorily-set at \$100,000. This has not been adjusted since 2006.
- The Competitive Wage Act of 2014 recommended the Public Auditor's salary at \$110,000, but it did not consider the additional responsibilities to adjudicate procurement appeals. This pay went into effect in March 2014 and was later rescinded. The Public Auditor subsequently repaid the increase received pursuant to P.L. 32-136.
- In November 2014, P.L. 32-208 set the salary of the Public Auditor based on 1 GCA Ch. 19 §1907, while the Salaries of the Governor, Lt. Governor, and the AG's respective salary was set based on the Competitive Wage Act recommendation.
- The Public Auditor was the only elected official not authorized a pay adjustment by P.L. 32-208. The Public Auditor requests parity with the Attorney General's salary, consistent with a Superior Court Judge.



Organizational Chart

as of February 2018





Staff Certifications

- As of February 2018:
 - All 17 OPA staff hold Bachelor degrees.
 - 8 out of 17 OPA staff are certified professionals or hold advanced degrees (some staff hold 2 or more certifications):
 - 4 Certified Public Accountants (CPA)
 - 4 Certified Government Financial Managers (CGFM)
 - 4 Certified Government Auditing Professionals (CGAP)
 - 3 Certified Internal Control Auditors (CICA)
 - 2 Certified Internal Auditors (CIA)
 - 2 Chartered Global Management Accountants (CGMA)
 - 1 Certified Fraud Examiner (CFE)
 - 1 Master in Business Administration
 - 1 Master in Public Administration



Staff Certifications

- 9 OPA staff are actively pursuing certification:
 - 5 CGFM candidates pending passage of all 3 parts of the exam
 - 3 CPA candidates pending passage of all 4 parts of the exam
 - 1 CFE candidate pending passage of all 4 parts of the CFE exam
 - 2 Master of Business Administration candidates
 - 1 Master of Arts in Organizational Leadership candidate
 - 1 Master of Accountancy candidate
- As a result of Public Law 33-18 effective October 2015, 6 OPA staff are receiving the certification pay differential.



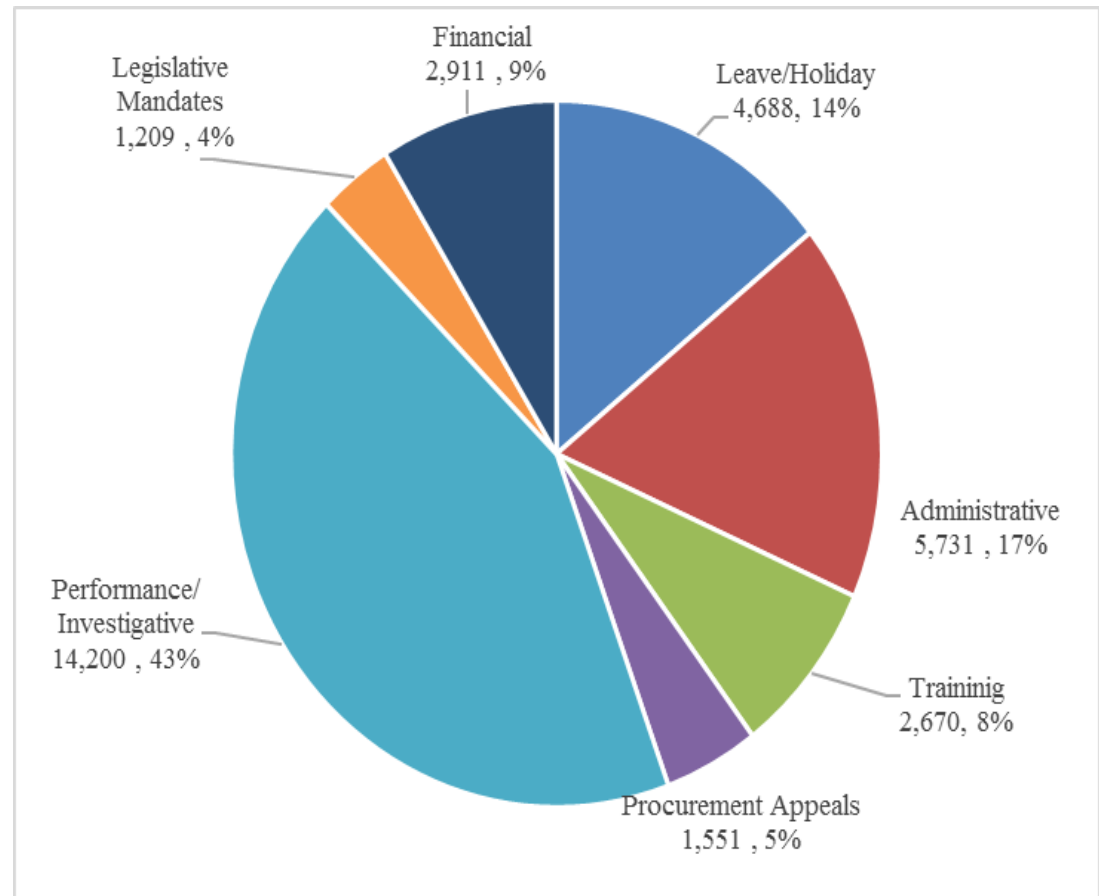
2017 – Year in Review

- Slowly overcoming staffing challenges, OPA continued its commitment and dedication to “**Auditing for Good Governance**” by:
 - Issuing 9 performance audits that collectively identified over \$667 million (M) in questioned costs and other financial impacts;
 - Making 25 recommendations to GovGuam entities to improve accountability, effectiveness, and efficiency;
 - Administering 12 procurement appeals; and
 - Issuing, monitoring, and overseeing 23 financial audits (the government-wide audit and component units).



2017 Staff Hours Distribution

- As of December 31, 2017, OPA had 17 full-time audit staff.
- Total hours expended was 32,960. The chart illustrates the composition of hours.





7-Year Performance and Staff Hours Distribution

Types of Hours	2011	2012	2013	2014	2015	2016	2017
Leave/Holiday	16%	14%	15%	16%	14%	15%	14%
Administrative	13%	14%	18%	22%	22%	14%	17%
Training	9%	8%	6%	5%	9%	7%	8%
Procurement Appeals	9%	9%	11%	6%	9%	8%	5%
Performance/ Investigative	26%	34%	32%	30%	30%	43%	43%
Legislative Mandates	16%	7%	7%	8%	4%	3%	4%
Financial	13%	15%	11%	13%	12%	11%	9%
Total Staff Hours	28,804	25,728	22,944	28,704	24,368	27,096	32,960
# of Employees at Year End	14	12	14	11	13	15	17
# of Performance Audits	12	9	6	7	8	11	9
# of Financial Audits	19	22	24	24	23	23	23
# of Procurement Appeals	21	19	16	13	17	15	12



7-Year Performance and Staff Hours Distribution

- OPA's annual performance is tracked by hours allocated to our different functions and affected by:
 - The complexity of performance audits.
 - The challenges the audit team faced while conducting performance audits.
 - The number of procurement appeals filed in the year.
 - The complexity of issues examined in procurement appeals.
 - The number of OPA mandates handled outside of performance audits.
 - The number of staff additions and subtractions during the year.
 - The relevant audit experience of newly hired staff.
 - The amount of administrative duties assumed by staff.



Audits Completed in 2017

- OPA released 9 performance audits in 2017, 2 less than the previous year due to various reasons:
 - The DPW Inventory Management of Heavy Equipment and Related Parts (Report No. 17-04) and the GSA Procurement Compliance (Report No. 17-05) audits were completed within 3,140 and 2,270 hours, respectively. These reports exceeded the average hours of 1,500 per audit due to the expansion of the scope of the audits.
 - Adoption of TeamMate, OPA's automated audit software, that proved a slight learning curve.
 - We retained our Administrative Officer, relieving OPA staff and management from many administrative duties.
 - Audit efficiencies were realized by assigning procurement appeals to one staff.



Audits Completed in 2017

1. Office of Public Accountability's Status of Legislative Mandates (Audit Plan)
2. Government of Guam Analysis of Government of Guam Leases (Audit Plan)
3. Guam Registration Board of Professional Engineers, Architects, and Land Surveyors Funds and Financial Practices Follow-Up Audit (Follow-Up Audit)
4. Department of Public Works Heavy Equipment and Related Parts Inventory Management (Audit Plan)
5. General Services Agency Procurement Practices (Cooperative Audit with IDI and PASAI)
6. 12th Festival of Pacific Arts (FESTPAC) (Follow-Up Audit)



Audits Completed in 2017

- | | |
|----|--|
| 7. | Government of Guam Submission of Citizen Centric Reports for FY 2016 & FY 2015 (Legislative Mandate) |
| 8. | Department of Revenue & Taxation Gross Receipts Tax Exemptions (Audit Request) |
| 9. | Department of Public Works Village Streets Management Strategy (Audit Plan) |



Audits Completed in 2017

17-01: OPA's Status of Legislative Mandates

- During the past 16 years, 90 public laws with 173 separate mandates expanded OPA's primary duties and responsibilities. Of the 173 mandates:
 - 45 required OPA to conduct audits;
 - 1 required OPA to hear and decide procurement appeals;
 - 63 required OPA to provide oversight, approve, or conduct a specific activity;
 - 10 required OPA to be a member of a committee, group, or task force; and
 - 54 required various GovGuam agencies to submit reports and other information to OPA.
- 88%, or 153 mandates, have been addressed.
- No recommendations were made.



Audits Completed in 2017

17-02: GovGuam's Analysis of Leases

- Conducted as part of OPA's Audit Plan.
- GovGuam doubled its annual cost for leasing commercial space, going from \$6.8M for 493,701 square feet to \$12.5M for 493,097 square feet.
- Average cost per square foot nearly doubled from \$1.15 per square foot to \$2.11 per square foot.
- Majority of GovGuam commercial leases were for office space at \$11.8M, while other commercial lease space was \$692K.
- Top 10 agencies accounted for 80% of total lease costs.
- Customs and Quarantine, Office of the Attorney General, Department of Public Health and Social Services, Department of Revenue and Taxation, and Department of Land Management were the top five agencies with highest lease cost for office space.
- OPA recommended that (1) the Governor designate a lead agency for GovGuam building construction, and (2) an agency monitor and annually report all GovGuam leases.



Audits Completed in 2017

17-03: PEALS Funds and Financial Practices Follow-Up Audit

- This was a follow-up from a prior audit issued in 2011.
- PEALS addressed five of six recommendations made in OPA Report No. 11-07.
- Weakness were noted, including:
 - A revolving fund checking account remained open;
 - Missing licensee eligibility documentation;
 - Unable to verify count of registrants and permit clearances;
 - QuickBooks was not utilized to record expenditures;
 - Board Chairperson did not approve expenditures.
- Four recommendations to the Chairman of the PEALS board were made: (1) comply with 22 GCA Chapter 32, (2) Improve accounting infrastructure, (3) Review and simplify fee structure, and (4) coordinate with Compiler of Laws to update rules and regulations.



Audits Completed in 2017

17-04: Department of Public Works Heavy Equipment and Related Parts Inventory Management

- Conducted as part of OPA's Audit Plan.
- Audit identified indicators of potential fraud and misuse. Possible ethical violations as the Director accepted free heavy equipment rental services from a DPW employee's company citing inadequate heavy equipment.
- Questioned costs of \$283K were identified as controls over heavy equipment was lacking, parts were issued to idle nonworking heavy equipment, and unusual repair orders were issued for idle nonworking heavy equipment.
- Audit identified \$4.9M in other financial impact of which \$3.1M was not in DOA's inventory and \$866K was not in the DPW inventory report.
- OPA recommended DPW management (1) conduct physical inventory, (2) investigate alleged missing lowboy, unauthorized heavy equipment usage, and unauthorized cannibalization of heavy equipment, (3) investigate unusual parts issuances and repair orders, (4) amend SOPs to require parts delivery to warehouse, and (5) develop an MOU with Mayor's Council.
- The Director disagreed with the finding pertaining to management's disregard of its responsibilities.



Audits Completed in 2017

17-05: General Services Agency Procurement Practices

- This audit was conducted as part of the International Organization of Supreme Audit Institutions (INTOSAI) Development Initiative (IDI) and Pacific Association of Supreme Audit Institutions (PASAI) Cooperative Performance Audit.
- Efforts made by GSA to consolidate similar purchases were not effective.
- For all methods other than competitive sealed bids – GSA did not verify the validity of vendor’s business licenses for all purchase orders tested.
- GSA does not have updated Standard Operating Procedures.
- OPA made seven recommendations to the Chief Procurement Officer: (1) strengthen relationships with agencies, (2) document and monitor effectiveness of planning efforts, (3) seek operational support, (4) implement an approval limit, (5) obtain AG’s guidance on processing procurements pending appeals, (6) challenge agency requests for sole-source on federally funded requisitions, and (7) formally update SOPs.
- The Chief Procurement Officer disagreed with all of our findings.



Audits Completed in 2017

17-06: 12th Festival of Pacific Arts (FESTPAC)

- This audit was a follow-up to OPA Report 16-02, Guam's Readiness for the 12th Festival of Pacific Arts.
- Guam successfully hosted the 12th FESTPAC, a two-week cultural event that showcased 27 island countries and territories from the Pacific.
- Our compilation revealed that cash of \$8.5M was received and \$8.3M was spent:
- \$4.4M was paid to CAHA and GVB events management services contractors;
- \$2.2M was for 34 festival village huts;
- \$1.1M was for GPD, GFD, DPW overtime expenses;
- \$293K was for Chamorro village traffic light controlled crosswalk;
- \$164K was for reimbursement of FESTPAC-related expenses at GDOE public schools used to house delegates;
- \$135K was for programming expenses paid by CAHA.
- We also found \$53K in FESTPAC-related goods and services did not comply with Guam procurement law.
- We identified \$36K in questioned costs for processing payments using vendor quotes instead of invoices.
- No recommendations were made.



Audits Completed in 2017

17-07: Government of Guam Submission of Citizen Centric Reports for FY 2016 & FY 2015

- This audit was a legislative mandate.
- At least 89% of the 57 entities issued an annual Citizen Centric Report.
- Six entities for FY 2016 and five entities for FY 2015 were deemed non-compliant because they did not submit their CCRs to OPA and the Speaker, nor did they post them on their respective websites.
- Four entities were non-compliant for both FY 2016 and FY 2015: Department of Agriculture, Department of Integrated Services for Individuals with Disabilities, Guam Homeland Security/Office of Civil Defense, and Office of the Governor.
- These non-compliant entities have neglected their responsibility to:
 - Provide information regarding government operations and how taxpayer dollars are spent; and
 - Communicate and make accessible to citizens government financial information in a simple and understandable format.
- No recommendations were made.



Audits Completed in 2017

17-08: Department of Revenue & Taxation Gross Receipts Tax Exemptions

- This audit was initiated by requests made by senators in the 32nd and 34th Guam Legislatures.
- From FY 2014 thru FY 2016, GRT exemptions totaled \$5.3 Billion reducing GRT revenues by \$210.7M, or \$70.2M a year.
- We could not ascertain the impact of exemptions on actual revenues reported as DRT could not provide data reconciling to payments collected.
- Wholesale was the largest exemptions representing 52% of all other exemptions or \$908M annually.
- DRT continues to manually input GRT returns with no analysis or review of the data.
- Three recommendations were made to DRT management: (1) analyze GRT data and resolve system errors, (2) regularly review GRT data and investigate any irregularities, and (3) work with policy makers to develop a more comprehensive and systematic strategy to review all tax expenditures on a regular basis.



Audits Completed in 2017

17-09: Department of Public Works Village Streets Management Strategy

- This audit was included in our Audit Plan.
- The audit found DPW's Division of Highways did not have an effective asset management strategy to protect and prolong the life of village streets.
- The Division of Highways did not take action to ensure the Village Streets Master Plan was regularly monitored and properly implemented;
- Repairs of village streets were determined on a reactive basis;
- Management did not keep records of performance metrics to evaluate achievement of goals.
- Three recommendations were made to DPW: (1) Update the Village Streets Master Plan or establish a system to objectively review and prioritize village streets, (2) implement a pavement management system to allow DPW to apply the lowest-cost treatment, and (3) establish performance measures to guide village street operations and to evaluate achievement of goals.



Summary of Audit Focus

- Of the 9 reports issued in 2017,
 - Four were in OPA’s annual audit plan
- 17-01: Office of Public Accountability Legislative Mandates
- 17-02: Government of Guam Analysis of Government of Guam Leases
- 17-04: Department of Public Works Heavy Equipment and Related Parts Inventory Management
- 17-09: Department of Public Works Village Streets Management Strategy



Summary of Audit Focus

– Two were follow-up audits

17-03: Guam Registration Board of Professional Engineers, Architects, and Land Surveyors Funds and Financial Practices Follow-Up Audit

17-06: 12th Festival of Pacific Arts (FESTPAC)

– One was a legislative mandate

17-07: Government of Guam Submission of Citizen Centric Reports for FY 2016 & FY 2015



Summary of Audit Focus

– One was an audit request

17-08: Department of Revenue and Taxation Gross Receipts Tax Exemptions

– One was a cooperative performance audit with the INTOSAI Development Initiative and Pacific Association of Supreme Audit Institutions (PASAI)

17-05: General Services Agency Procurement Practices



Summary of Audit Focus

- The OPA 2017 Annual Audit Plan included audits that potentially
 - Reduce revenue leakage
 - Identify revenue opportunities
 - Provide oversight, insight, and foresight into pertinent issues
 - Prevent fraud, waste, and abuse of GovGuam resources
- OPA prioritized many of the audit requests received from elected leaders and government officials.
- OPA continues to focus on audits that help GovGuam achieve its objectives and improve services to the people of Guam.



Productivity

- From 2001 through 2017, OPA released 171 performance audits.
- Between 2001 and 2008, in the Public Auditor's first two terms, OPA issued an average of nearly 12 performance audits annually.
- Between 2009 and 2017, OPA issued an average of nearly 9 performance audits annually, due to staff fluctuations (separations and additions), gaps in experiences, allocation of administrative duties during Administrative Officer turnovers, and allocation of procurement appeals duties among auditors.



Productivity

- In 2017, we issued 9 performance audits. This was 2 less than 2016.
- As previously noted, our audits of DPW Inventory Management of Heavy Equipment and Related Parts (Report No. 17-04) and GSA Procurement Compliance Audit (Report No. 17-05), were completed in 3,140 and 2,270 hours, respectively.
- These two audits exceeded the average of 1,500 hours per performance audit, which meant that OPA could have released at least one to two more audits had these been completed within the average hours.
- Although these were good audits, OPA will endeavor to limit our audits to be more in line with the estimated average hours per audit and will take caution in expanding the scope of our audits.



Productivity

- Factors that affect OPA productivity include:
 - The inability to offer competitive salaries leads to retention issues, although staff turnover levels improved beginning in 2016
 - The recruitment and training of less experienced staff due to the inability to attract more experienced auditors
 - Increases in legislative mandates affecting OPA
 - Increases in procurement appeals filed
 - Increases in administrative duties



OPA-Identified Financial Impacts

Calendar Year	Reports Issued	Recommendations Issued	Financial Impact
2017	9	25	\$666.7M
2016	11	25	\$20.4M
2015	8	13	\$47.3M
2014	7	10	\$10.6M
2013	6	17	\$16.6M
2012	9	24	\$4.3M
2011	12	39	\$11.3M
2010	9	38	\$22.6M
2009	7	6	\$1.4M
2008	10	28	\$9.7M
2007	18	51	\$24.3M
2006	19	76	\$20.9M
2005	9	49	\$6.2M
2004	14	91	\$16.4M
2003	11	77	\$26.8M
2002	9	96	\$3.5M
2001	3	31	\$0.4M
Totals	171	696	\$909.0M



OPA-Identified Financial Impacts

- In 2017, OPA issued 9 reports, made 25 recommendations, and identified a cumulative of \$666.7M in financial impacts to our government.
- Financial impacts are the questioned costs, waste and abuse, lost revenue opportunities, unreported amounts, and unreconciled accounts identified by OPA audits.



2017 OPA-Identified Financial Impacts

Report No.	Report Title	Questioned Costs	Lost/Unrealized Revenues	Potential Savings	Other Financial Impact	Total	# of Recommendations
#17-01	Office of Public Accountability Legislative Mandates	\$ -	\$ -	\$ -	\$ -	\$ -	0
#17-02	Government of Guam Analysis of Government of Guam Leases	\$ -	\$ -	\$ -	\$ -	\$ -	2
#17-03	Guam Registration Board of Professional Engineers, Architects, and Land Surveyors Funds and Financial Practices Follow-Up Audit	\$ 25,119	\$ -	\$ -	\$ 8,077	\$ 33,196	4
#17-04	Department of Public Works Heavy Equipment and Related Parts Inventory Management	\$ 282,506	\$ -	\$ -	\$ 4,917,118 ¹	\$ 5,199,624	5
#17-05	General Services Agency Procurement Practices	\$ -	\$ -	\$ -	\$ -	\$ -	8

1. Represents inventory data that was not accurate and reliable, acquisition costs for equipment in unauthorized locations, loaned to the Mayors, and unauthorized cannibalization.



2017 OPA-Identified Financial Impacts

Report No.	Report Title	Questioned Costs	Lost/Unrealized Revenues	Potential Savings	Other Financial Impact	Total	# of Recommendations
#17-06	12th Festival of Pacific Arts (FESTPAC)	\$ 89,093	\$ -	\$ -	\$ -	\$ 89,093	0
#17-07	Government of Guam Submission of Citizen Centric Reports for FY 2016 & FY 2015	\$ -	\$ -	\$ -	\$ -	\$ -	0
#17-08	Department of Revenue & Taxation Gross Receipts Tax Exemptions	\$ 181,906,906 ¹	\$ 210,704,479 ²	\$ -	\$14,716,875	\$407,328,260	3
#17-09	Department of Public Works Village Streets Management Strategy	\$ -	\$ -	\$ 254,000,000 ³	\$ -	\$ 254,000,000	3
Totals		\$ 182,303,624	\$ 210,704,479	\$ 254,000,000	\$19,642,070	\$ 666,650,173	25

1. Represents unreliable FY 2012 and FY 2013 exemptions data, missing exemptions codes, and overage of exemption amounts claimed.
2. Largest exemption was for wholesale, which represents lost revenues of \$109M, or 52% of the total.
3. Represents the estimated increased cost due to delays in addressing maintenance and repair needs as indicated in the Village Streets Master Plan.



Audits in Progress

(Continued/Started in 2017)

1. Guam Regional Transit Authority Procurement and Billing (*Issued February 2018 – OPA Report No. 18-01*)
2. Guam Football Association Soccer Stadium Contributions
3. Department of Administration Health Insurance Benefits
4. Real Property Tax Assessments and Exemptions
5. Department of Corrections Overtime
6. Department of Revenue and Taxation Tobacco Taxes
7. DRT Non-Profit Organization Gaming Tax
8. SAI PMF Report



2018 Audit Plan

- We select audits for our annual audit plan by applying an objective risk-based approach to identify areas with the highest risk of loss or possible mismanagement of funds.
- This approach requires OPA staff to collectively discuss, review, assess, and rank suggested audit topics based on the following factors:
 - Financial Impact (Lost Revenues, Cost Savings)
 - Public Concern and Social Impact
 - Likelihood of Poor Control
 - Program Risk
 - Leadership Interest
- Each factor is assigned a weighted percentage.



2018 Audit Plan

- The audit topics are scored to determine priority ranking and deliberated before including them on the annual audit plan. In addition, the Public Auditor judgement is a factor in determining the audits to be initiated.
- Only few respond to our requests for audit topics addressed to agency heads and public officials.
- Based on an audit staff of 15 (3 Audit Supervisors, 5 Auditor III's, 2 Auditor II's, and 5 Auditor I's), we anticipate completing at least 5 new audits in 2018 in addition to the on-going audits.
- Our audit plan is flexible for unexpected changes, such as requests from elected officials, current events, and staff availability.



2018 Audit Plan

- The 2018 Audit Plan includes:
 - GMHA Billing and Collections
 - Government-Wide Fuel Prices
 - DPW Inventory of Parts and Construction Supplies/Materials
 - Government-Wide Travel Per Diem
 - Government-Wide Usage of Government Credit Cards



Financial Audits Issued in 2017

- 1 GCA §1909(a) and the Federal Single Audit.
 - Require all financial audits to be issued by June 30th (**nine** months after fiscal year end).
- OPA's goal
 - Issue financial audits no later than **six** months after fiscal year end.
- OPA encourages the introduction of legislation to require the six-month deadline.
- One of PASAI's long-term strategic goals is for financial audits to be issued within six months after the fiscal year end.



Financial Audits Issued in 2017

- The Government Finance Officers Association (GFOA) Certificate of Achievement for Excellence in Financial Reporting Program
 - Encourages state and local governments to submit high-quality Comprehensive Annual Financial Reports (CAFR) no later than six months after the fiscal year end.
 - Recognizes governments that meet judging criteria with the Certificate of Achievement.
- GovGuam has yet to issue its government-wide audit within six months. However, the FY 2016 GovGuam audit was issued three weeks earlier than before.



Financial Audits Issued in 2017

- OPA monitored, reviewed, analyzed, and issued 23 financial audits of autonomous agencies and the General Fund.
- The financial statements of all 23 entities received unmodified (or “clean”) opinions.
- Of the 23 financial audits issued in 2017:
 - Ten were issued within six months after FY 2016 (GWA, GIAA, PAG, GHC, GGRF, GVB, GPT, TAF, PBS Guam, and GHC).
 - Thirteen were issued within nine months after FY 2016 (GCC, GPA, UOG, MCOG, GEDA, GMHA, GDOE, GHURA, DCA, CLTC, GALC, GSWA, GovGuam General Fund).



Financial Audits Issued in 2017

- Questioned costs for FY 2016 were \$502K, a significant increase from FY 2015 questioned costs of \$348.
- Only the GovGuam General Fund and GIAA had questioned costs, which amounted to \$432K and \$70K, respectively.
- Ten entities received substantial federal awards, and as such, were subject to OMB Uniform Guidance: GWA, GIAA, PAG, GCC, GPA, UOG, GMHA, GDOE, GHURA, and the GovGuam General Fund.
- The remaining thirteen agencies are not subject to the OMB Uniform Guidance.



Financial Audits Issued in 2017

Of the ten entities subject to OMB Uniform Guidance:

- Eight entities obtained unmodified opinions in their reports on compliance over major federal programs -- GWA, GIAA, PAG, GCC, GPA, UOG, GMHA, and GDOE.
- We applaud these entities' achievement of no material weaknesses or significant deficiencies reported.
- GHURA and GovGuam General Fund had modified opinions in their compliance over major federal programs due to material weaknesses.



Financial Audits Issued in 2017

An entity qualifies as a low-risk auditee if the entity's federal programs have no audit findings in the preceding two audit periods.

- For FY 2016, six entities qualified as low-risk auditees.
 - GCC maintained its low-risk auditee status for 16 years.
 - PAG maintained its low-risk auditee status for 3 years.
 - UOG achieved low-risk auditee status for 2 years after losing the designation in FY 2012.
 - GIAA achieved low-risk auditee status for 2 years.
 - GPA and GWA achieved low-risk auditee status.
- These entities are commended for accomplishing this status.



Chamorro Words for Low-Risk Auditee

OPA recently began giving recognition for achieving a similar low-risk status for the thirteen agencies not subject to a OMB Uniform Guidance:

- The agencies not receiving substantial federal awards are: GHC, GGRF, GVB, GPR, TAF, PBS Guam, GHF, MCOG, GEDA, DCA, CLTC, GALC, and GSWA.
- An entity will qualify for OPA's Recognition status if they receive: an unmodified "clean" opinion and no material weaknesses, significant deficiencies and questioned cost for three consecutive years.
- Of the thirteen agencies, six agencies qualified for the FY 2016 OPA Recognition --GVB, GGRF, PBS Guam, GHC, GEDA, and TAF.
- OPA endeavors to give a name to this recognition and seeks input for Chamorro words to identify a title for these low-risk auditees.



FY 2016 Financial Audits

#	Auditee	Issue Date	Internal Control over Financial Reporting				
			Opinion	No. of Material Weaknesses	No. of Significant Deficiencies	Deficiency in Internal Control	Noncompliance
1	GWA	1/17/2017	Unmodified	0	0	0	0
2	GIAA	1/31/2017	Unmodified	0	1	0	0
3	PAG	2/20/2017	Unmodified	0	0	0	0
4	GHC	2/28/2017	Unmodified	0	0	0	0
5	GGRF	3/3/2017	Unmodified	0	0	0	0
6	GVB	3/9/2017	Unmodified	0	0	0	0
7	GPT	3/16/2017	Unmodified	0	0	0	0
8	TAF	3/29/2017	Unmodified	0	0	0	0
9	PBS Guam (KGTF)	3/30/2017	Unmodified	0	0	0	0
10	GHF	3/31/2017	Unmodified	0	0	0	1
11	GCC	4/3/2017	Unmodified	0	0	0	0
12	GPA	4/12/2017	Unmodified	0	1	0	0
13	UOG	4/19/2017	Unmodified	0	0	0	0
14	MCOG**	4/26/2017	Unmodified	0	0	0	0
15	GEDA	4/27/2017	Unmodified	0	0	0	0
16	GMHA	5/1/2017	Unmodified	0	2	0	0
17	GDOE	5/4/2017	Unmodified	0	0	0	0
18	GHURA	5/9/2017	Unmodified	0	1	0	0
19	DCA	5/11/2017	Unmodified	0	2	0	0
20	CLTC	5/12/2017	Unmodified	1	0	0	0
21	GALC	5/12/2017	Unmodified	0	0	0	0
22	GSWA (SWOF)	5/30/2017	Unmodified	0	0	0	1
23	GOVGUAM	6/8/2017	Unmodified	0	1	0	0
Totals			23	1	8	0	2



FY 2016 Financial Audits

#	Auditee	Issue Date	Compliance for Major Federal Programs			Total No. of Findings	Total Questioned Costs	Total Federal Award Expenditures	Low-Risk Auditee?
			Opinion*	No. of Material Weaknesses	No. of Significant Deficiencies				
1	GWA	1/17/2017	Unmodified	0	0	0	\$ -	\$ 5,488,863	Yes
2	GIAA	1/31/2017	Unmodified	0	1	1	\$ 70,401	\$ 14,607,826	Yes
3	PAG	2/20/2017	Unmodified	0	1	1	\$ -	\$ 18,221,446	Yes
4	GHC	2/28/2017	n/a	n/a	n/a	0	n/a	n/a	n/a
5	GGRF	3/3/2017	n/a	n/a	n/a	0	n/a	n/a	n/a
6	GVB	3/9/2017	n/a	n/a	n/a	0	n/a	n/a	n/a
7	GPT	3/16/2017	n/a	n/a	n/a	0	n/a	n/a	n/a
8	TAF	3/29/2017	n/a	n/a	n/a	0	n/a	n/a	n/a
9	PBS Guam (KGTF)	3/30/2017	n/a	n/a	n/a	0	n/a	n/a	n/a
10	GHF	3/31/2017	n/a	n/a	n/a	0	n/a	n/a	n/a
11	GCC	4/3/2017	Unmodified	0	0	0	\$ -	\$ 15,118,764	Yes
12	GPA	4/12/2017	Unmodified	0	0	0	\$ -	\$ 1,367,584	Yes
13	UOG	4/19/2017	Unmodified	0	1	1	\$ -	\$ 28,843,093	Yes
14	MCOG**	4/26/2017	n/a	n/a	n/a	0	n/a	n/a	n/a
15	GEDA	4/27/2017	n/a	n/a	n/a	0	n/a	n/a	n/a
16	GMHA	5/1/2017	Unmodified	0	0	0	\$ -	\$ 2,811,125	No
17	GDOE	5/4/2017	Unmodified	0	2	2	\$ -	\$ 64,349,925	No
18	GHURA	5/9/2017	Modified	6	6	12	\$ -	\$ 45,064,796	No
19	DCA	5/11/2017	n/a	n/a	n/a	0	n/a	n/a	n/a
20	CLTC	5/12/2017	n/a	n/a	n/a	0	n/a	n/a	n/a
21	GALC	5/12/2017	n/a	n/a	n/a	0	n/a	n/a	n/a
22	GSWA (SWOF)	5/30/2017	n/a	n/a	n/a	0	n/a	n/a	n/a
23	GOVGUAM	6/8/2017	Qualified	5	4	9	\$ 432,056	\$ 298,822,736	No
	Subtotals			11	15	26	\$ 502,457.00	\$ 494,696,158	6
	Totals since 2001					1,988	\$64,139,246		



FY 2016 Financial Audits

#	Auditee	Issue Date	Management Letter Comments		Note
			Deficiencies & Other Matters	Information Technology	
1	GWA	1/17/2017	3	6	
2	GIAA	1/31/2017	5	5	
3	PAG	2/20/2017	7	8	
4	GHC	2/28/2017	1	0	Not a recipient of federal funds
5	GGRF	3/3/2017	0	0	Not a recipient of federal funds
6	GVB	3/9/2017	3	0	Not a recipient of federal funds
7	GPT	3/16/2017	3	0	Not a recipient of federal funds
8	TAF	3/29/2017	0	0	Not a recipient of federal funds
9	PBS Guam (KGTF)	3/30/2017	1	0	Not a recipient of federal funds
10	GHF	3/31/2017	2	0	Not a recipient of federal funds
11	GCC	4/3/2017	0	0	
12	GPA	4/12/2017	6	6	
13	UOG	4/19/2017	6	0	
14	MCOG**	4/26/2017	1	0	Not a recipient of federal funds
15	GEDA	4/27/2017	2	0	Not a recipient of federal funds
16	GMHA	5/1/2017	7	6	
17	GDOE	5/4/2017	8	3	
18	GHURA	5/9/2017	14	1	Modified opinions on 3 out of 5 major programs
19	DCA	5/11/2017	3	0	Not a recipient of federal funds
20	CLTC	5/12/2017	3	0	Not a recipient of federal funds
21	GALC	5/12/2017	3	0	Not a recipient of federal funds
22	GSWA (SWOF)	5/30/2017	2	0	Not a recipient of federal funds
23	GOVGUAM	6/8/2017	19	3	Qualified opinions on 4 out of 9 major programs
Subtotals			99	38	
Totals since 2001			874		

**Data does not include the individual findings and questioned costs cited in each municipality's individual management letter. Out of 19 municipalities, four had no findings in fiscal year 2016, while the remaining 15 municipalities had issues with cash receipts, cash disbursements, and/or procurement regulations.



2017 Financial Audit RFPs

- OPA issued three Requests for Proposals for independent financial audit services during 2017 in conjunction with GHC, GSWA and PBS.
- These resulted in contracts for three fiscal years (FY 2017 to FY 2019) with an option to renew for one additional fiscal year of professional audit services.



Suggested Legislation for Financial Audits

- Require GovGuam entities to issue financial audits within **six** months of the fiscal year end.
 - To provide more timely information for decision making.
 - To qualify for GFOA's Certificate of Achievement for Excellence in Financial Reporting Program.
 - To meet or exceed exceptional standards.
- Require annual financial audits for organizations receiving over \$750,000 in GovGuam funding, similar to OMB Uniform Guidance requirements for federal grant recipients. For example, the Guam Board of Accountancy received \$896K and the Customs, Agriculture and Quarantine Inspections fund received \$13.6M in FY 2016.
- FY 2017 will be the first year OPA will oversee the Guahan and iLearn Academy Charter Schools. This requirement was placed in law, but was an oversight on our part. Both charter schools had been audited since their establishment, but not in conformance with OPA's oversight.



Procurement Appeals

- As we have gained knowledge and experience, OPA's goals for Procurement Appeals are to
 - Resolve an appeal within 90 to 120 days from the time of filing, and
 - Render a decision within 30 to 60 days upon conclusion of the appeal hearing.
- In 2017, OPA resolved two appeals within 90 to 120 days, six appeals in less than 90 days, and two appeals took more than 120 days from the time of filing,
- All five decisions rendered during 2017 were issued within 30 days upon conclusion of the appeal hearing.



Procurement Appeals in 2017

- During 2017, 12 appeals were filed with OPA.
 - 3 were DPW, 2 were GCC, 2 were GPA, 1 was GSWA, 1 was GMHA, 1 was 34th Guam Legislature, 1 was GEDA, and 1 was PAG/GSA.
- The subject and known value of the appeals include:
 - Lease Financing for Design, Renovation, Rehabilitation, Construction, & Maintenance of Simon Sanchez High School, \$100M
 - Renewable Energy Resource Phase II, \$672M
 - Contract for Improvements to Route 1/Route 8 and to replace Agana Bridges 1 and 2, \$3M
 - Forensic DNA Lab Construction, \$4M



Procurement Appeals in 2017

- OPA addressed these 12 appeals as follows:
 - Five decisions rendered, of which all were rendered within 30 to 60 days from the formal hearing and one was rendered based on the filings because no formal hearing was held;
 - Two were dismissed due to lack of jurisdiction;
 - Two were dismissed due to Appellant's withdrawal of appeal;
 - One was dismissed due to parties' settlement;
 - Two were stayed pending the Superior Court's decision on a Petition for Writ of Mandamus.



Procurement Appeals in 2017

Appeal No.	Appellant	Purchasing Agency	Procurement	Procurement Value*	Status	Disposition	Days
17-001	Core Tech International Corp.	DPW	Lease Financing, for Design, Renovation, Rehabilitation, Construction and Maintenance of Public Schools (Beginning with Simon Sanchez High School)	\$ 100,000,000	Decision	Upheld in part and Denied in part	85
17-002	Morrigo Equipment, LLC	GSWA	Refuse Collection Trucks	\$ 270,000	Dismissed	Appellant Withdrew	47
17-003	J & B Modern Tech	GCC	Construction of Generator Building and Installation of a Back-up Generator System to Service GCC Allied Health Center and Building A.	\$ 430,000	Decision	Denied	81
17-004	JMI Edison	GMHA	Contract dispute on total amount of interest on past due invoices	\$ 173,000	Dismissed	Appellant Withdrew	134
17-005	PDS	34th Guam Legislature	Telephone System and Telecommunications Services	\$ 75,000	Dismissed	Appellant Withdrew and Lack of Jurisdiction	24
17-006	America's Best Electricmart, Inc.	GPA	LED Luminaire Units and Photo Electric Controls	\$ -	Decision	Upheld in part and Denied in part	98

*Procurement Values are estimated amounts per respective purchasing agencies' procurement records or other appeal documents filed.



Procurement Appeals in 2017

Appeal No.	Appellant	Purchasing Agency	Procurement	Procurement Value*	Status	Disposition	Days
17-007	Mega United Corp. Ltd.	GEDA	Contract for the Construction of the Farmers' Cooperative Association of Guam Facility and Relocation of the Dededo Flea Market	\$ 460,000	Dismissed	Lack of Jurisdiction	48
17-008	Shanghai Electric Power Japan Co., Ltd. and Terra Energy, Inc.	GPA	Renewable Energy Resource Phase II	\$ 672,000,000	Decision	Denied	108
17-009	Core Tech International Corp.	DPW	Lease Financing for Design, Renovation, Rehabilitation, Construction, and Maintenance of Simon Sanchez High School	\$ -	Stayed	Pending Superior Court decision on Petition for Writ of Mandamus	65
17-010	Core Tech International Corp.	DPW	Contract for Improvements to Route 1/Route 8 and to replace Agana Bridges 1 and 2	\$ 3,000,000	Stayed	Pending Superior Court decision on Petition for Writ of Mandamus	129
17-011	J & B Modern Tech	GCC	GCC Forensic DNA Lab Construction	\$ 4,000,000	Decision	Upheld in part and Denied in part	121
17-012	Mid Pac Far East	GSA/PAG	11,000 Lbs (5.5 Ton) Fork Trucks (New)	\$ 205,000	Dismissed	Stipulation Agreement	59

*Procurement Values are estimated amounts per respective purchasing agencies' procurement records or other appeal documents filed.



Procurement Appeals

- Since October 2006, 161 appeals were filed.

APPEALS	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006	Totals	% Subtotal	% Total
DECISIONS															
Upheld		2	3	1	6	1	3	4	1	5	3	1	30	34%	19%
Denied	2	3	3	6		7	8		4	1	2		36	41%	22%
Upheld and Denied in Part	3	5	4	2	2		3			1	2		22	25%	14%
DECISIONS	5	10	10	9	8	8	14	4	5	7	7	1	88	100%	55%
DISMISSALS															
Stipulation Agreement	1	4	2	1	5	7	4	2	2	1	1		30	43%	19%
Appeal Withdrawn	3			1		3		1	1		1	1	11	16%	7%
Public Auditor's Recusal			2		1			1	1	3	1		9	13%	6%
No Protest Decision			1			1	2	1	1	1			7	10%	4%
Moved to Superior Court				2				1	1				4	6%	2%
Untimely Notice of Appeal					1		1						2	3%	1%
Cancel/Re-issued Bid									1		1	1	3	4%	2%
Lack of Jurisdiction	1		2		1								4	6%	2%
DISMISSALS	5	4	7	4	8	11	7	6	7	5	4	2	70	100%	43%
STAY	2	1											3	2%	2%
TOTAL APPEALS FILED:	12	15	17	13	16	19	21	10	12	12	11	3	161	100%	100%



Appeals Addressed in 2017

17-001 (Core Tech/DPW)

- Appeal relative to Lease Financing for Design, Renovation, Rehabilitation, Construction, and Maintenance of Public Schools (Beginning with Simon Sanchez High School)
- The RFP violates 5 G.C.A. §58E104 because that statute requires that the CCIP or Program Study be completed prior to the issuance of an RFP for the rehabilitation of the remaining thirty-four (34) GDOE schools and the RFP simultaneously solicits for both services instead.
- DPW's March 2, 2017 decision to partially deny CTI's February 8, 2017 protest on the grounds the Program Study cited by CTI in its protest referred to the CCIP required by the RFP is hereby SUSTAINED because the term "Comprehensive Capital Improvement Plan" in 5 G.C.A. §58E102(a) is synonymous with the term "Program Study" in 5 G.C.A. §58E104.
- CTI's allegations that the 5 G.C.A., Chap. 58E prohibits the solicitation of insurance, maintenance, and collateral equipment for the remaining thirty-four (34) GDOE schools has no merit because the RFP provisions soliciting for insurance and maintenance services for the remaining thirty-four (34) GDOE schools are required by 5 G.C.A. Chap.58E, and the RFP provisions soliciting for collateral equipment are authorized by 5 G.C.A. §5001(b)(5) and 2 G.A.R., Div. 4, Chap. 1, §1102(4) because they promote the increased economy in Government of Guam procurement activities and maximize to the purchasing value of the Government of Guam funds.
- DPW may cancel or amend the RFP pursuant to 5 G.C.A. §5451 and 2 G.A.R., Div. 4, Chap. 9, Chap. 9, §9105(a).
- Appeal was UPHeld in part and DENIED in part.



Appeals Addressed in 2017

17-002 (Morrico Equipment/GSWA)

- Appeal relative to an IFB for Refuse Collection Trucks;
- Appeal was **DISMISSED** with Prejudice as Morrico filed a Notice to Dismiss with Prejudice after the Ninth Circuit of Appeals denied their emergency motion for a stay on the procurement.



Appeals Addressed in 2017

17-003 (J&B Modern Tech/GCC)

- Appeal relative to an IFB for the Construction of a Generator Building and Installation of a Back-up Generator System to Service GCC Allied Health Center and Building A;
- GCC President rejected the bids and advised the bidders that the bid would be cancelled in whole and re-issued at a later date;
- GCC cited the reason for the cancellation was because the IFB language was materially ambiguous as to whether bidders were required to provide shop drawings of their proposed design-bid structures;
- GCC's rejection of all bids and cancellation of the bid was authorized;
- Appeal was DENIED.



Appeals Addressed in 2017

17-004 (JMI-Edison/GMHA)

- Appeal relative to Unpaid Total Amount of Interest on Past Due Invoices;
- Appeal was DISMISSED with Prejudice as Appellant withdrew their appeal.



Appeals Addressed in 2017

17-005 (Pacific Data Systems/34th Guam Legislature)

- Appeal relative to an IFB for a 60 Month Lease Agreement for Telephone Services and Equipment.
- Appeal was DISMISSED as the Appellant withdrew its appeal. In addition, pursuant to 5 G.C.A. § 5703, the Public Auditor does not have jurisdiction to hear this appeal as the Standing rules created and adopted by the 34th Guam Legislature does not authorize the Appellant to appeal a denial of protest by the Legislature to the Public Auditor.



Appeals Addressed in 2017

17-006 (America's Best Electricmart, Inc./GPA)

- Appeal relative to an IFB for LED Luminaire Units and Photo Electric Controls;
- The Public Auditor recused herself from hearing the appeal, and assigned the Deputy Public Auditor to preside over appeal;
- GPA's cancellation of the IFB was untimely and violated 5 G.C.A. §5225 and 2 G.A.R., Div. 4, Chap. 3, §3115(d)(1)(B) because the cancellation occurred after the November 10, 2016 bid opening. Accordingly, GPA's January 4, 2017 cancellation of the IFB is hereby VACATED and of no further force and effect.
- The IFB's procurement record is incomplete because it does not contain a log of all communications between government employees and any member of the public, potential bidder, vendor or manufacturer which is in any way related to the procurement, and because it does not identify the person responsible for drafting the specifications used in the IFB or identify the persons, technical literature, or manufacturer's brochures relied upon by the person drafting the specifications in violation of 5 G.C.A. §5249(b) and (d), and 2 G.A.R., Div. 4, Chap. 3, §3129(2) and (4), and 5 G.C.A. §5267 and 2 G.A.R., Div. 4, Chap. 4, §4108. GPA shall correct these deficiencies no later than thirty (30) calendar days after this Decision is issued.
- Appeal was UPHeld in part and DENIED in part.



Appeals Addressed in 2017

17-007 (Mega United Corp. Ltd./GEDA)

- Appeal relative to Contract for the Construction of the Farmers' Cooperative Association of Guam Facility and Relocation of the Dededo Flea Market (GEDA IFB No. 14-002)
- Appeal was DISMISSED, because the matter was not properly before the Public Auditor due to the untimely filing of the appeal.



Appeals Addressed in 2017

17-008 (Shanghai Electric Power Japan Co., Ltd. and Terra Energy, Inc./GPA)

- Appeal relative to an IFB for Renewable Energy Resource Phase II (GPA-IFB-070-16)
- GPA's acceptance of the Hanwha bids did not violate the IFB.
- GPA's award of 120 MW was proper and does not require a rebid. Furthermore, the award of 120 MW was in the best interests of the Territory.
- The IFB Specifications were not ambiguous and unfair and rebid of the procurement is not required. The IFB did not require underground transmission lines.
- SEPJ did not establish that GPA ranked the bids improperly nor did SEPJ establish entitlement to an award for its Site 2 and Site 1.
- SEPJ did not raise in its Notice of Procurement Appeal the issue of the applicability of the LEAC rate. Irrespective, the issue would not require a rebid.
- Ratification or affirmation of the award is in the best interests of the Territory.
- Appeal was DENIED.



Ongoing 2017 Appeals

17-009 (Core Tech/DPW)

- Appeal relative to Lease Financing for Design, Renovation, Rehabilitation, Construction, and Maintenance of Simon Sanchez High School
- Appeal was STAYED pending the Superior Court's decision on a Petition for Writ of Mandamus filed by Appellant Core Tech.

17-010 (Core Tech/DPW)

- Appeal relative to Contract for Improvements to Route 1/Route 8 and to replace Agana Bridges 1 and 2
- Appeal was STAYED pending the Superior Court's decision on a Petition for Writ of Mandamus filed by Appellant Core Tech.



Ongoing 2017 Appeals

17-011 (J & B Modern Tech/GCC)

- Appeal relative to an IFB for GCC Forensic DNA Lab Construction
- Decision was issued on February 28, 2018.
- J&B's protest was timely under 5 GCA § 5425(a).
- ProPacific's actual Base Bid is \$3,903,346.22.
- ProPacific complied with the requirement that bidders indicate outstanding issues with GCLB and OSHA.
- ProPacific's failure to provide a signed Certificate of Owner's Attorney in the form provided in the IFB is a minor informality that can be waived without prejudice to J&B.
- ProPacific failed to comply with the IFB requirement that a bidder submit a Certificate of Insurance showing maintenance of the required insurance or a certified statement from an insurance licensed to conduct business in Guam that it can obtain the required insurance, and the failure to comply with this requirement is not a minor informality that can be waived. Thus, ProPacific's bid was non-responsive;
- GCC's proposed award to ProPacific was in violation of the law.
- Appeal was UPHeld in part and DENIED in part.



Ongoing 2017 Appeals

17-012 (Mid Pac Far East/PAG & GSA)

- Appeal relative to an IFB for 11,000 Lbs (5.5 Ton) Fork Trucks (New)
- Appeal was DISMISSED on January 25, 2018 due to stipulation agreement by the parties.



Procurement Appeals Hearing Officers

- Cost savings are realized through hiring contractual attorneys on an as-needed basis versus a full-time attorney.
- In FY 2007, a full-time attorney's salary cost \$80,000 plus benefits of \$21,900.

FY	No. of Attorneys	Fees
2017	3	\$ 92,075
2016	3	\$ 83,952
2015	3	\$ 90,693
2014	3	\$ 83,396
2013	3	\$ 91,901
2012	3	\$ 63,700
2011	2	\$ 38,000
2010	2	\$ 71,000
2009	3	\$ 50,000
2008	2	\$ 69,000
2007	1	\$101,900



Procurement Appeals Hearing Officers

It is OPA's goal to have its Hearing Officers:

- (1) Be readily available to handle the time-sensitive appeals, considering potential conflicts and time constraints;
- (2) Resolve appeals within 90 to 120 days from the time of filing; and
- (3) Issue a decision within 30 to 60 days upon the conclusion of the hearing.



OPA Website

www.opaguam.org

To ensure public accountability and enhance transparency in our government, OPA's website

- Posts reports and information to include
 - OPA audit reports;
 - Financial audits of government entities;
 - Procurement appeals;
 - CCR reporting requirements; and
 - Audio recordings of Boards and Commissions' meetings.
- Contains budget and expenditure reports, and staffing patterns required by the various Budget Acts.
- Continues to be an important source of reliable, transparent information about the financial condition of our government.



OPA Website Activity

www.opaguam.org

- Visit/Session: A group of interactions that take place on the website within a given time frame, e.g., a single session can contain multiple screen or page views and transactions.
 - In 2017, the OPA website averaged 2,037 visits per month, compared to 2016's average of 2,113 per month.
- Unique Visitors: Measured according to unique IP addresses, which are like online fingerprints, and are counted only once no matter how many times they visit the site.
 - In 2017, the OPA website averaged 827 unique visitors per month, compared to 2016's average of 868 per month.
- Pageview: The instance a page is being loaded (or reloaded) in a browser.
 - In 2017, the OPA website averaged 5,408 pageviews per month, compared to 2016's average of 5,916 per month.



2017 OPA Website Activity

www.opaguam.org

Months	Visits		Unique Visitors		Page Views	
	2017	2016	2017	2016	2017	2016
January	1,834	1,850	747	690	4,989	5,413
February	1,849	1,519	767	607	5,143	4,278
March	2,085	1,911	820	677	5,676	5,860
April	2,215	2,030	961	760	5,941	5,239
May	2,330	1,738	826	715	6,806	4,556
June	2,030	2,567	759	820	5,411	6,754
July	1,842	2,241	789	688	4,812	8,174
August	1,889	2,477	894	824	5,060	7,172
September	2,233	1,912	907	715	5,865	5,397
October	1,895	1,713	818	654	4,711	4,684
November	2,081	2,133	833	985	5,288	5,817
December	2,155	3,266	801	2,280	5,194	7,645
Totals	24,438	25,357	9,922	10,415	64,896	70,989
Averages	2,037	2,113	827	868	5,408	5,916

OPA uses Google Analytics to gather information about OPA's website activity.

* The decline in website activity (visits, unique visitors, and page views) was in part due to the issuance of fewer audits in 2017 compared to 2016.



Boards and Commissions Audio Reporting Requirements

- In September 2012, P.L. 31-233 required “governing Boards and Commissions of all public corporations, and departments of the Government of Guam” to provide audio recordings of each monthly Board and Commission meeting to OPA within 7 calendar days after the meeting. OPA posts audio files on its website upon receipt.
- Since then, OPA posted meeting audio files of over 40 Boards and Commissions. Almost every week, OPA receives at least one audio file, which can be as large as 851 MB and requires extraction from a CD and posting onto the OPA website. This causes additional work for OPA’s limited staff resources and consumes valuable space on its server.



OPA Hotline

47AUDIT (472-8348)

The OPA HOTLINE provides the public with the means to pass on questions and concerns about our government.

- The highest number of tips OPA received was 177 in 2004 and the lowest number of tips was 23 in 2012.
- In 2017, we received 65 tips.
 - 40 were closed and 25 remain open.
 - Of the 40 closed tips, 21 were closed due to insufficient information, 16 were resolved, and 3 were outside of OPA’s jurisdiction
 - Of the 25 open, 11 were forwarded to their respective entity's internal auditors or external auditors, and 2 are ongoing with OPA.



OPA Hotline

47AUDIT (472-8348)

The public can contact the HOTLINE by dialing 47AUDIT, emailing admin@guamopa.com, or by visiting our website at www.opaguam.org.

- In addition to audit duties, audit staff are assigned to manage hotline tips.
- OPA encourages GovGuam employees and the public to use the HOTLINE, however, OPA does not always have staff to immediately address these tips and concerns.
- Responding to citizen concerns requires time and effort. Staff need to research, interview, and follow-up in order to provide an answer. Therefore, it is imperative that hotline tips include the who, what, when, where, and how of the tip.
- Despite OPA's limited staff, OPA endeavors to respond to these concerns as quickly as possible.



Hotline Statistics 2001 – 2017

Agencies or Programs	2017	2016	2015	2014	2013	2001 to 2012	Total
Other Agencies and Programs	14	13	8	9	10	301	355
Department of Education	2	3	1	7	2	157	172
Department of Public Works	3	3	2	0	1	76	85
Guam International Airport Authority	0	0	1	3	0	69	73
Mayors Council of Guam	1	2	1	0	2	57	63
Department of Corrections	0	6	6	1	2	42	57
Guam Power Authority	0	0	1	2	2	50	55
Guam Waterworks Authority	6	2	0	2	1	43	54
Guam Memorial Hospital Authority	0	1	0	6	0	43	50
Department of Public Health and Social Services	14	2	0	1	1	29	47
Department of Administration	2	1	0	2	2	34	41
University of Guam	8	3	0	2	3	19	35
Guam Fire Department	3	1	1	1	1	26	33
Government of Guam Retirement Fund	0	0	0	0	0	30	30



Hotline Statistics 2001 – 2017

Agencies or Programs	2017	2016	2015	2014	2013	2001 to 2012	Total
Guam Housing and Urban Renewal Authority	1	0	0	0	1	28	30
Office of the Attorney General	4	0	0	1	0	25	30
Guam Police Department	1	0	2	2	0	20	25
Department of Parks & Recreation	1	1	1	0	0	22	25
Superior Court of Guam	0	0	0	0	0	24	24
Guam Mass Transit Authority	1	1	2	0	0	19	23
Guam Visitors Bureau	1	2	0	2	0	18	23
Office of the Governor	1	1	1	0	0	18	21
Port Authority of Guam	0	0	0	0	3	17	20
Guam Telephone Authority	0	0	0	0	1	17	18
Department of Labor	1	0	6	1	0	9	17
General Services Agency	0	0	0	0	0	16	16
Guam Economic Development Authority	0	0	2	0	1	10	13
Department of Land Management	1	0	0	1	0	9	11
Totals	65	42	35	43	33	1,228	1,446



Technology Roadmap

- OPA embraces information technology to improve our audit and procurement appeals processes.
- Our website was upgraded in 2015 and users can view all audit reports, procurement appeals filings, and other GovGuam information. OPA website postings include:
 - All OPA performance audits.
 - All GovGuam financial audits.
 - Procurement appeals filings as soon as received.
 - Audio recordings of all procurement appeal hearings and pre-hearings.
 - GovGuam agencies' Citizen Centric Reports, required by 5 GCA §1922.
 - Audio recordings of GovGuam board and commission meetings.



Technology Roadmap

- Citizens can also submit concerns and tips via the OPA Hotline on our website.
- We started a series of internal assessments of OPA cybersecurity risks and will continue to remain vigilant.
- We will continue to invest in laptops and software such as Microsoft and Adobe, to ensure OPA staff are provided the necessary tools to perform their duties.
- We have released our OPA App for Android devices in February 2018 and aim to release the App for Apple devices by April 2018.
- We have established a YouTube channel in line with our strategic goals to deliver impactful reports and to increase the public knowledge of our work and mission.



Managing Audits With TeamMate

- Since October 2015, we have been managing and reviewing our audits on TeamMate, an automated audit software system.
 - Over a five-month period, we developed templates and customized TeamMate specifically for our performance audits.
 - We later learned that Guam is the only user in the Pacific using TeamMate for performance audits.
- After over a year of initiating TeamMate, we are now experiencing efficiencies in our audit processes.
 - Hyperlinking working papers to support conclusions
 - Working paper templates established
 - Quality assurance reviews more efficient
 - Audit time budgets better managed



TeamMate Support

- TeamMate support is provided by TeamMate technical support in Australia through the annual user maintenance fee. In FY 2019, we are requesting \$15,000 for these annual fees.
- OPA also receives TeamMate support from PASAI by participating in the PASAI TeamMate Virtual Group.
 - To share knowledge amongst PASAI TeamMate users through a virtual forum.
 - To strengthen collaboration amongst PASAI TeamMate users.
 - Group members are TeamMate champions from Cook Islands, Fiji, Guam, Papua New Guinea, Solomon Islands, and Tonga.



TeamMate Support

- The TeamMate Virtual Group met in Auckland, NZ in May 2016 funded by PASAI. The 5-day Regional TeamMate Workshop discussed:
 - Challenges faced by users
 - Implementation “lessons learned”
 - TeamMate modules
 - Guam’s performance audit templates and TeamMate customizations
- We also received TeamMate training with the DOI Office of Inspector General, who also use TeamMate. This resulted in greater efficiencies as we changed our templates based on suggestions from DOI OIG.



PASAI

- The Pacific Association of Supreme Audit Institutions (PASAI) promotes transparent, accountable, effective, and efficient use of public sector resources in the Pacific.
- PASAI helps Pacific government audit offices improve their audit quality to uniformly high standards.
- PASAI is the official association of supreme audit institutions (government audit offices, known as SAIs) in the Pacific.
- The Public Auditor is a member of the PASAI Governing Board, which is responsible for formulating PASAI's strategies and policies. The Public Auditor's term ends in August 2018.
- PASAI, like other non-profit organizations, is experiencing budget challenges. At the 2017 Congress in Tuvalu, Congress approved a significant increase in membership dues from \$100 to approximately \$3,000 effective June 2018.



IDI & PASAI Trainings & Cooperative Audits

- For the past seven years, PASAI has funded various professional development for OPA audit staff in performance auditing, leadership, communications and other workshops.
- OPA also participated in the development of PASAI's Performance Audit Manual and three PASAI cooperative audits: Solid Waste Management, Public Debt and GSA Procurement Practices.
- In 2017, PASAI funded:
 - An Auditor to attend the PASAI Cooperative Performance Audit on Procurement Training in Nadi, Fiji
 - An Auditor to attend the PASAI Young Leaders Symposium in Auckland, New Zealand
 - An Auditor to attend the Young EUROSAI conference in Tallinn, Estonia
 - The Public Auditor's attendance to the PASAI Governing Board Meeting in Auckland, New Zealand.



IDI & PASAI Trainings & Cooperative Audits

- PASAI held a workshop to enhance effective communication with stakeholders, which the Public Auditor attended, which was funded by PASAI.
- In 2017, IDI funded an OPA Audit Supervisor's attendance to the INTOSAI Development Initiative Global Programme on SAIs Fighting Corruption – Audit Planning Meeting in Bangkok Thailand. She was utilized as a resource person and facilitator for the meeting.
- In November-December 2017, one OPA staff participated in a workshop on Engaging with Stakeholders in Phnom Penh, Cambodia.
- In January 2017, three OPA staff participated in a workshop on the PASAI and INTOSAI Development Initiative SAI Performance Measurement Framework (PMF) project for North Pacific SAIs.



SAI Performance Measurement Framework

- The SAI PMF is a tool to
 - Measure, monitor, manage, and report on a SAI's performance.
 - Identify a SAI's strengths and weaknesses.
 - Look holistically at the SAI's independence, ethics, audits, operations, finances, human resources, training, and others.
- Participating SAIs will conduct objective peer reviews based on the SAI PMF criteria and method.
- The INTOSAI Development Initiative will independently review all the work of the participants and provide the quality assurance.



SAI Performance Measurement Framework

- The project will culminate with submission of final assessment reports in the second quarter of 2018.
- OPA was assessed by the Republic of the Marshall Island's Office of the Auditor-General in May 2017.
- OPA assessed the FSM Office of the National Public Auditor in June 2017.
- OPA has anticipated the SAI PMF project for over a year and looks forward to the assessment report to improve OPA overall.
- OPA received the draft assessment report in early March 2018 and responses to the report are due at the end of March 2018.



DOI OIA Training Grant

- In March 2015, OPA received its \$76,000 internship and training grant from the Department of the Interior's Office of Insular Affairs (DOI OIA) Technical Assistance Division.
- We applied for and received another grant of \$76,000 after using all grant funds at the end of FY 2017.
- Over the years, the training grants have funded OPA auditors':
 - Internships with the DOI Office of Inspector General
 - Registrations at local training seminars
 - Registration and travel expenses for certain off-island conferences
- In 2017, two auditors completed a two-week internship/training program at the DOI OIG office in Lakewood, CO. We will send two more auditors to attend this program in June 2018.



DOI OIA Training Grant

- In 2017, the grant funded other professional development for OPA auditors such as procurement training, leadership training, and government accounting and auditing training.
- Government Auditing Standards require auditors to maintain their professional competence through Continuing Professional Education (CPE).
- Auditors are required to obtain 80 hours of CPEs in a two year period with a minimum of 20 hours each year. (GAGAS 3.76).
- OPA Auditors averaged 96 CPE hours in 2017, which was largely funded by the DOI OIA Training Grant.



APIPA Peer Review

- Government Auditing Standards require an audit organization to undergo a quality control review (peer review) every three years.
- In 2017, Guam was the first of the APIPA members to undergo a new round of reviews since 2014. OPA was peer reviewed by the Office of the Pohnpei State Public Auditor as the team captain and the Office of the Auditor General of the Republic of the Marshall Islands and the Office the Public Auditor of the Commonwealth of the Northern Marianas Islands as team members.
- OPA received its sixth full compliance rating for audits issued from January 1, 2014 through December 31, 2016.
- In March 2018, four OPA staff will be a members, team captain, and observers of the peer review teams for the Office of the Pohnpei State Public Auditor and the FSM National Public Auditor's Office.
- The peer review expenses for the peer review member (Pohnpei Office) and team captain (FSM National) will be reimbursed by RMI.
- The peer review expenses for the observers are funded by technical assistance grants from the U.S. Department of Interior's Office of Insular Affairs.



OPA Appropriation and Expenditure History

- Comparing FY 2011 and FY 2018, OPA's appropriations have only minimally increased by 13.5%, or \$166K.
 - FY 2011 appropriation = \$1,231,160
 - FY 2018 appropriation = \$1,396,898
 - The average incremental budget increase is 1.7% annually.
- Since FY 2011:
 - OPA was authorized to carry over prior year lapsed funds in FY 2011, FY 2012, FY 2015, & FY 2016.
 - OPA lost approximately \$550K in funds lapsed from FY 2012 and FY 2013 that were not authorized for carryover in subsequent fiscal years.



OPA Appropriation and Expenditure History FY 2011 – FY 2018

Fiscal Year	Budget Request	Total Appropriation	Public Law	Adjustment		Final Budget	Lapses	OPA Expenditures
2018	\$ 1,689,658	\$ 1,396,898	34-42	\$ 135,471	(A)	\$ 1,532,369		\$ 1,634,870
2017	\$ 1,459,230	\$ 1,396,898	33-185	\$ -	(D)	\$ 1,396,898	\$ -	\$ 1,514,593
2016	\$ 1,453,773	\$ 1,389,743	33-066	\$ 222,108	(A)	\$ 1,611,851	\$ 135,471	\$ 1,512,485
2015	\$ 1,472,243	\$ 1,362,493	32-181	\$ 118,819	(A)	\$ 1,481,312	\$ 222,108	\$ 1,109,242
2014	\$ 1,379,663	\$ 1,254,327	32-068	\$ 17,673	(B)	\$ 1,303,044	\$ 118,819	\$ 1,159,306
		\$ 31,044	32-181	\$ -	(B)		\$ 13,371	
2013	\$ 1,375,533	\$ 1,302,388	31-233	\$ (67,073)	(C)	\$ 1,235,315	\$ 84,811	\$ 1,136,403
2012	\$ 1,462,038	\$ 1,260,507	31-77	\$ 289,292	(A)	\$ 1,549,799	\$ 469,354	\$ 1,121,403
2011	\$ 1,362,006	\$ 1,231,160	30-196	\$ 43,611	(B)	\$ 1,454,778	\$ 289,292	\$ 1,163,130
				\$ 180,007	(A)			

Source: DOA AS400

- (A) Carry over authorization
- (B) Hay Study implementation allotment
- (C) Income tax refund appropriation
- (D) OPA utilized cash reserves to cover anticipated shortfall.



OPA Appropriation and Expenditure History

- A review of the past OPA expenditures prior to FY 2016 show that the average expenditure was \$1.1M.
- In FY 2016, expenditures increased to \$1.5M with an authorized budget of \$1,389,743 and carry over authorization of \$222,108, for a total of \$1,611,851.
- FY 2016 was the first year OPA maintained nearly a full complement of 15 staff. As a result, personnel expenditures were \$1.031M, compared to the 5-year average of \$828K from FY 2011 through FY 2015.
- With our starting personnel base significantly higher, we utilized more personnel lapses.



OPA Appropriation and Expenditure History

- In FY 2017, OPA was the only elected office not authorized to carry over lapsed funds.
- The elected offices of the AG and the Mayors, as well as the Judiciary, UOG, and GCC, were allowed to carry over their lapses.
- With the FY 2017 budget of \$1,396,898 and no authority to carry over lapses, OPA expenditures of \$1,514,593 resulted in the use of the cash reserves.
- With two additional personnel coming on board during the 4th quarter of FY 2017, OPA's staff complement rose to 17, but the full effect of their employment cost will not be realized until FY 2018.



OPA Appropriation and Expenditure History

- Despite the increase in FY 2017 personnel costs due to hiring two additional staff in the 4th quarter and the processing of regular staff increments, OPA took proactive measures to hold the line for nearly all other expenses, such as supplies, equipment, contractual services, and locally funded training. These measures resulted in total expenditures of \$1.5M as of FY 2017, or a nominal \$2K increase from FY 2016 expenditures.
- In FY 2018, OPA was authorized a status quo budget of \$1,396,898 with the authority to utilize FY 2016 and FY 2017 lapses. OPA had personnel lapses of \$135,471 in FY 2016, which was converted to cash and held in reserves. There were no lapses in FY 2017. With the carry over authority, OPA's final FY 2018 budget is \$1,532,369.



OPA Appropriation and Expenditure History

- While actual expenditures were trending at \$1.5M in the preceding two years, we estimate FY 2018 expenditures at \$1.6M for OPA's operations and a staff complement now at 18 as of March 2018.
- In FY 2016, OPA was authorized a budget of \$1.6M with a staff complement of 15 comprised of an appropriation of \$1.4M and lapses of \$222K.
- Even with three more staff in FY 2018 compared to FY 2016, we believe we that we can keep expenditures at about the same level due to cost-cutting measures in other expense areas.



Good Stewards of Funds

- We have always been good stewards of the funds granted to our office.
- Since 2001, OPA has built upon the \$263,215 that was left by the previous appointed Public Auditor. We have invested such amounts into TCDs over the years. Our cash reserves have also increased as we receive authorized allotments each fiscal year.
- OPA lapsed funds resulted from personnel appropriations not entirely used because of recruitment and retention difficulties.
- To sustain operations, OPA has relied on its sporadic authority to carry over lapsed funds from previous recruitment and retention challenges.



FY 2019 Budget Estimate & Request

- In FY 2019, costs to fund current personnel staff alone stand at \$1,417,803. Therefore, we are requesting a slight increase in our budget, despite the financial crisis before our government.
- In FY 2019, OPA estimates \$1,696,347 is needed to fully fund OPA operations.
 - \$1,417,803: Personnel costs at current levels, without filling any of the three remaining vacancies.
 - \$278,544: Operations
- This is a 5%, or \$84K, increase from FY 2016's final budget of \$1.6M when OPA was authorized to carry over lapsed funds of \$222K.
 - \$1,389,743 FY 2016 appropriations
 - \$222,108 lapsed funds carried over



FY 2019 Budget Estimate & Request

- OPA's FY 2019 budget request is higher than prior years because it represents funds required for OPA to sustain our current staffing levels and pay rent and other contractual obligations such as the FY 2017 & FY 2018 Mayors' Council of Guam financial audit.
- Except in FY 2013, FY 2014, and FY 2017, prior year OPA appropriations authorized lapsed funds to carry over, which sustained OPA operations.



FY 2019 Budget Estimate & Request

- OPA respectfully requests authorization to carry over any balance of unused funds appropriated to OPA in FY 2012 and FY 2013 of approximately \$550K into our FY 2019 Budget request.
- This request is similar to prior year carry over authorizations granted to the AG
 - In FY 2016 for FY 2014 and FY 2015 lapsed funds (P.L. 33-66 Chapter VII, Part I, Sections 6 & 7)
 - In FY 2017 for FY 2015 and FY 2016 lapsed funds (P.L. 33-185 Chapter VII, Part I, Section 7)



FY 2019 Budget Estimate & Request

- The increase will fund personnel costs to sustain the current 18 OPA staff.
- The last time OPA has maintained this staffing level was in 2006, which was also our most productive year in issuing performance audits. In 2006, with a staff compliment of 18 we issued 19 reports compared to an average of 9 reports in the last 10 years with an average staff complement of 14.



FY 2019 Budget Estimate & Request

	FY 2019 Estimates
Salaries	\$ 1,065,377
Benefits	352,425
Subtotal	\$ 1,417,803
Travel	-
Contractual	150,359
Rent	122,260
Supplies	1,000
Equipment	-
Miscellaneous	1,000
Utilities	3,925
FY 2019 Total Budget Request	\$ 1,696,347



Office Rental

- In FY 2017, OPA completed the renovations and furnished the additional space adjacent to our current office in the DNA building, which now provides:
 - Space for three additional auditors
 - Space for document storage
 - Conference room sufficient for all OPA staff
- The OPA office lease expired on September 30, 2017. An IFB was issued for office space and extended the lease until September 30, 2021, with an option to renew for four additional years.
- OPA currently leases 5,086 square feet of space at approximately \$1.98 per square foot, or \$120,971 annually.
- OPA's cost per square foot of \$1.98 (including the procurement appeals hearing room) is less than the GovGuam average of \$2.11 per square foot indicated in OPA Report No. 17-02 Analysis of Government of Guam Leases.



Travel

- In light of the financial crisis facing the Government of Guam, the Public Auditor has ceased the use of any local travel funds authorized for FY 2018.
- OPA also finds it prudent to not request for any funding for travel in FY 2019.



Other Cost Saving Measures

- In addition to not funding any travel, OPA has taken the following cost saving measures:
 - Audit MCOG biennially instead of annually to save \$40,000. The cost of \$30,000 is reflected in our FY 2019 budget request as we will try to negotiate the cost of the FY 2017 & FY 2018 audit down.
 - Transmit reports electronically to save on supplies and printing related costs.
 - Implement hiring freeze for FY 2019.
 - Reduce professional membership subscriptions.
 - Reduce utilization of technical consultant for performance audits.
 - No purchase of equipment for FY 2019.



GovGuam Investment in Audits

- GovGuam spent approximately \$2.8M on the audit function or less than one-half cent of every dollar of FY 2017 General Fund revenues of \$689.9M¹
 - \$1.4M for FY 2016 GovGuam financial audits issued in FY 2017.
 - \$1.4M for OPA FY 2017 appropriations.
- OPA's appropriations represent a 47,760% return for every dollar appropriated. With a \$1.4M FY 2017 budget, OPA
 - Issued 9 audits and analyses that identified \$666.7M in financial impacts
 - Monitored 23 financial audits
 - Administered 12 procurement appeals in 2017

1. Unaudited figure.



OPA's High Quality of Work

- In 2017, OPA received its sixth consecutive “Full Compliance” peer review rating since 2002, the highest level of compliance given to audit organizations.
- This is the third time no management letter comments were issued.
- Government Auditing Standards require audit organizations to undergo an external quality control review, or peer review, every three years.



New Programs

- INTOSAI Development Initiative (IDI) PASAI SAI Performance Measurement Framework Assessment
- OPA's Strategic Plan to be updated with assistance by PASAI or the Graduate School
- Member of PASAI TeamMate Virtual Group and collaboration with Pacific islands implementation



New Programs

- TeamMate implementation assistance to Palau Office of the Public Auditor
- PASAI SAI Young Leaders Symposium
- IDI Global Programme on SAIs Fighting Corruption
- IDI Global Programme on SAIs Engaging with Stakeholders



Prior Year Obligations & Unbudgeted Items

The OPA does not have any Prior Year Obligations and unbudgeted items to report.



FY 2019 Budget Request Summary

We respectfully request that the Legislature:

- Approve OPA's lump sum budget of \$1,696,347 to fund current positions, rent, and other contractual obligations.
- Authorize the balance of unused funds of approximately \$550K appropriated to OPA in FY 2012 and FY 2013 to carry over into FY 2019.
- Continue to give OPA exemption from BBMR allotment control similar to other elected offices and the Judiciary.
- Amend legislation to require Board or Commission meeting audio files be posted on the respective agency's website with a link posted on the OPA website.



Si Yu'os Ma'ase.