



Office of Public Accountability

Fiscal Year 2025 Budget Request and Presentation

As of March 2024

Distribution:

Committee on General Government Operations & Appropriations
Office of Finance and Budget
Office of the Governor
Bureau of Budget and Management Research



OFFICE OF PUBLIC ACCOUNTABILITY

Suite 401 DNA Building, 238 Archbishop Flores Street, Hagåtña, Guam 96910

Tel (671) 475-0390 · Fax (671) 472-7951 · Hotline: 47AUDIT (472-8348)

www.opaguam.org

March 27, 2024

RECEIVED

OFB Vanessa Valenzuela 3/27/24 2:27pm

Honorable Senator Joe S. San Agustin
Chairman, Committee on General Government Operations & Appropriations
Ran Care Bldg., CBU 203
761 S. Marine Corps Drive
Tamuning, Guam 96913

Subject: FY 2025 Budget Request Submission

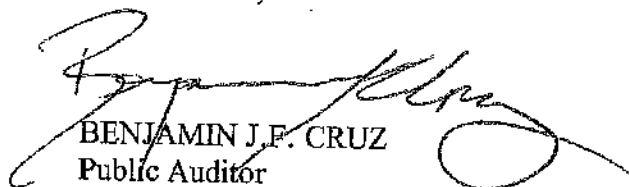
Dear Senator San Agustin and Committee Members,

The Office of Public Accountability (OPA) is officially submitting the following items requested in your letter dated February 16, 2024, in regard to the Fiscal Year 2025 Budget Request. Our submission is as follows:

- Seventeen (17) printed copies of the Budget Request for Fiscal Year 2025 (formatted to meet the level of detail as submitted in previous years' budget requests – additional/supporting documents may be included);
- One (1) portable media storage drive containing all electronic, working (unprotected) files in Microsoft Word/Excel format where applicable for each form as presented in the budget request; and
- One (1) portable media storage drive containing one scanned copy of the budget request in PDF format.

Should you require additional information, please feel free to contact Administrative Services Officer Marisol Andrade by phone at (671) 475-0390 ext. 206 or by email at mandrade@guamopa.com.

Senseramente,


BENJAMIN J. F. CRUZ
Public Auditor



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Honorable Joe S. San Agustin
Chairman, Committee on General Government Operations & Appropriations
Ran Care Bldg., CBU 203
761 S. Marine Corps Drive
Tamuning, Guam 96913

Subject: FY 2025 Budget Request

Dear Senator San Agustin and Committee Members,

The Office of Public Accountability (OPA) is pleased to present our fiscal year (FY) 2025 budget request of \$2,194,843. This budget encompasses \$1.9 million (M) to sustain our current staff complement of 15, including two staff promotions and the addition of two new Accountability Auditors. Additionally, \$295 thousand (K) will fund rent and other contractual obligations, inclusive of funding for procurement appeals hearing officers, equipment, website services, audit software license and maintenance, and utilities.

Our \$2.19M budget request represents 0.25% of the FY 2025 Executive Budget Request's total general fund revenue of \$877,937,338. While the 36th Guam Legislature commendably increased budget appropriations for OPA in FY 2023 and FY 2024 by granting 0.25% of annual total general fund gross revenues of the government of Guam (GovGuam) through legislation included in the General Appropriations Act of 2023, OPA's continuous appropriation of 0.25% for FY 2025 and beyond was not included in the General Appropriations Act of 2024.

Our office's commitment to safeguarding our independence is paramount for promoting accountability and effective governance throughout GovGuam. This commitment is supported by continuous training to maintain a professional and competent staff to execute our audit mandates effectively. Our strategic priorities in our updated 2024-2028 Strategic Plan focus on enhancing our independence from budget control by securing an amendment to OPA's enabling legislation for a continuing annual budget of not less than 0.25% of the annual total general fund gross revenues of GovGuam, as proposed in Bill No. 227-37 introduced by Senators Joanne Brown and Telo Taitague. This proposed legislation is a significant step in protecting OPA's independence and imperative to upholding our integrity and serving the public interest for the benefit of our island.

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

- For FY 2024, OPA's appropriation was \$2,030,737, or 0.25% of the FY 2024 total GF revenue available for appropriation.
- For FY 2023, OPA's appropriation was \$1,653,203, with an additional \$371,602 from the unappropriated balance of Fiscal Year 2022. These amounts totaled 0.25% of FY 2023 GF revenues.

- For FY 2022, OPA's appropriation was \$1,653,203 (\$1.1M for personnel services and \$599K for operations). The carryover authorization of \$98,346 from the FY 2021 lapse was used to purchase new equipment, replace aging workstations, and fund additional personnel costs in FY 2022.

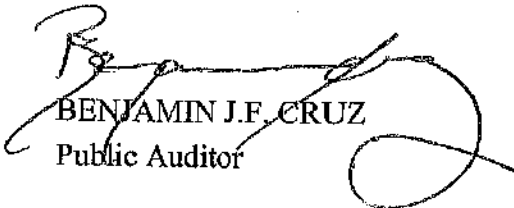
The attached PowerPoint presentation highlights OPA's accomplishments this past year and outlines our audit and procurement appeals plans to achieve our goals and objectives. As part of OPA's FY 2025 proposal, we respectfully request the Legislature to:

- Approve OPA's budget request of \$2,194,843;
- Authorize the carryover of any allotted but unexpended balance of funds appropriated to the OPA for FY 2024 and prior fiscal years; and
- Authorize and codify the OPA's continuing annual budget of not less than one-quarter of one percent (0.25%) of GovGuam's annual total General Fund gross revenues for FY 2025 and beyond, as proposed in Bill No. 227-37.

Should you have any questions or comments, please feel free to contact me directly.

Si Yu'os Ma'ase!

Senseramente,



BENJAMIN J.F. CRUZ
Public Auditor



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March 27, 2024

Honorable Therese M. Terlaje
Speaker, 37th Guam Legislature
Guam Congress Building
163 Chalan Santo Papa
Hagåtña, Guam 96910

OFFICE OF THE SPEAKER
THERESE M. TERLAJE

MAR 27 2024

Time: 2:47 PM
Received: [Signature]

Subject: FY 2025 Budget Request

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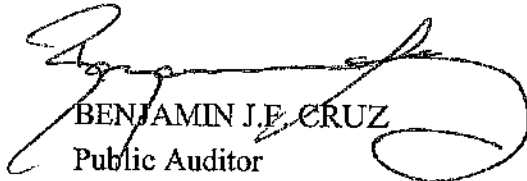
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Should you have any questions or comments, please feel free to contact me directly.

Si Yu'os Ma'ase!

Senseramente,



BENJAMIN J.F. CRUZ
Public Auditor

BUREAU OF BUDGET AND MANAGEMENT RESEARCH
FISCAL YEAR 2025
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
General				
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?	X			
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 95A - REVISED]	X			
e. FY 2025 (Proposed) Agency Staffing Pattern [BBMR SP-1] - All Fund Sources	X			
f. FY 2024 (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]				
I. 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 95A - REVISED]				
A.) Budget Digest Form [BBMR BD-1]				
Personal Services				
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			
Operations				
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 95A - REVISED]?	X			
2. Are amounts reflected in each column accurate?	X			
3. Are computations correct?	X			
Utilities				
Are amounts reflected in each column correct?	X			
Capital Outlay				
Are amounts reflected under columns, "Governor's Request," consistent with schedule F as detailed in the budget digest subform, [BBMR 95A - REVISED]?	X			
Full Time Equivalencies (FTEs)				
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. Are the travel dates and number of travelers reflected?	X			
3. 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 95A - 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 2024 Authorized levels under schedules B - F indicated?	X			
V. Agency Staffing Pattern Form [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 2025 General Pay Plan (22% Pay Scale) 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]				
Is the form complete and accurate?	X			

CERTIFIED AS TO COMPLETENESS AND ACCURACY			
DEPARTMENT: <u>Office of Public Accountability</u>		BBMR ACTION: Recommendation	
Prepared By: <u>VINCENT DUENAS, Supervising Accountability Auditor</u>	Date: <u>3/27/24</u>	<input checked="" type="checkbox"/> Approval	
Approved By: <u>BENJAMIN J.F. CRUZ, Public Auditor</u> (Signature of Dept./Agency Head)	Date: <u>3/27/24</u>	<input type="checkbox"/> Disapproval	
		Analyst: _____	
		Date: _____	

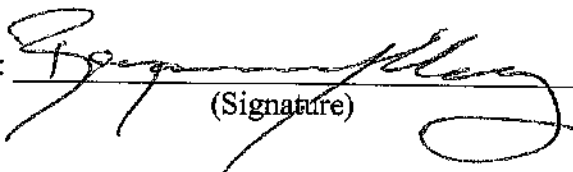
**Government of Guam
Fiscal Year 2025**

Agency Budget Certification

Agency: Office of Public Accountability

Agency Head: Benjamin J.F. Cruz, 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: 3/27/24

Decision Package FY 2025

Department/Agency: Office of Public Accountability Division/Section: Office of Public Accountability

Program Title: Office of Public Accountability

Activity Description:

The Office of Public Accountability is an instrumentality of the Government of Guam, independent of the executive, legislative, and judicial branches. The OPA seeks to achieve independent and nonpartisan assessments that promote accountability and efficient, effective management throughout GovGuam; and serve the public interest by providing the Governor of Guam, the Guam Legislature, and the People of Guam with dependable and reliable information, unbiased analyses, and objective recommendations on how best to use government resources in support of the well-being of our island and its constituents.

Major Objective(s):

1. Conduct audits of government programs and entities to determine if goals and objectives are being achieved effectively, economically, and efficiently.
2. Direct and supervise all financial and management audits conducted pursuant to 1 GCA §1908, so that annual audits are completed for the prior fiscal year no later than June 30.
3. 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.
4. Report to the Attorney General of Guam for prosecution of violations of law, where such violations pertain to the expenditures of funds and property of GovGuam.
5. Hear and decide all procurement appeals that arise under 5 GCA §5425(c), as provided for by 5 GCA §5425(e).

Short-term Goals:

1. Achieve independence from budget control by securing amendment to OPA's enabling legislation for the continuing annual budget of 0.25% of GovGuam's annual general fund gross revenues.
2. Issue performance audits to improve the accountability, transparency, effectiveness, efficiency, and economy of government programs and agencies.
3. Issue GovGuam and component unit financial audits within six months after the fiscal year to provide more timely information.
4. Expediently issue decision on procurement appeals.
5. Monitor the General Fund's balance and find ways to reduce revenue loss, enhance revenue collections, and identify cost savings.
6. Improve the quality of GovGuam financial reporting.

Workload Output			
Workload Indicator:	FY 2023 Level of Accomplishment	FY 2024 Anticipated Level	FY 2025 Projected Level
1. Issue performance audits and analyses.	11	17	15
2. Direct and supervise all financial audits.	22	27	28
3. Issue and/or resolve procurement appeals.	6	6	6

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				
To attend the Association of Government Accountants Professional Development Training in Nashville, Tennessee in July 2025. The incumbent is currently a Certified Government Financial Manager and this training is necessary for her to meet her continuing professional education requirements related to her position as the Administrative Services Officer.				
Travel Date: <u>July 2025</u>		No. of Travelers: <u>1</u> 1/		
Position Title of Traveler(s)	Air Fare	Per diem 2/	Registration	Total Cost
Administrative Services Officer	\$ 2,000.00	\$ 2,000.00	\$ 1,000.00	\$ 5,000.00
	\$ -	\$ -	\$ -	\$ -

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 2025 Request	FY 2024 Authorized	Variance Increase/ (Decrease)
Website Hosting & Maintenance	12	\$1,500.00	\$ 18,000.00	\$ 17,760.00	\$ 240.00
Payroll Services	26	\$140.00	\$ 3,640.00	\$ 3,640.00	\$ -
Copier Lease	12	\$200.00	\$ 2,400.00	\$ 6,000.00	\$ (3,600.00)
IT Support Services	12	\$1,000.00	\$ 12,000.00	\$ 15,000.00	\$ (3,000.00)
Hearing Officers			\$ 40,000.00	\$ 60,000.00	\$ (20,000.00)
OPA Legal Services			\$ 5,000.00	\$ 10,000.00	\$ (5,000.00)
TeamMate Licensing & Annual Maintenance Fee			\$ 17,000.00	\$ 17,000.00	\$ -
Vehicle Maintenance and safety inspections			\$ 1,500.00	\$ 1,500.00	\$ -
Other Contractual Services			\$ 7,305.00	\$ 80,445.00	\$ (73,140.00)
Water Delivery			\$ 900.00	\$ 900.00	\$ -
QuickBooks Renewal Subscription, Google Suite			\$ 5,000.00	\$ 10,000.00	\$ (5,000.00)
Training/Seminar Fees			\$ 1,200.00	\$ 1,200.00	\$ -
Professional Publications & Subscription			\$ 5,640.00	\$ 600.00	\$ 5,040.00
NASACT Membership Dues			\$ 5,100.00	\$ -	\$ 5,100.00
AGA Membership Dues			\$ 2,360.00	\$ 5,400.00	\$ (3,040.00)
PASAI Membership Dues			\$ 3,600.00	\$ 4,000.00	\$ (400.00)
ALGA Membership Dues			\$ 800.00	\$ 800.00	\$ -
APIPA Membership Dues			\$ 500.00	\$ 500.00	\$ -
IDI Membership Dues			\$ 600.00	\$ 1,600.00	\$ (1,000.00)
Printing Services (CCR, annual report, business cards)			\$ 2,000.00	\$ 2,500.00	\$ (500.00)
Total Contractual			\$ 134,545.00	\$ 238,845.00	\$ (104,300.00)

Schedule C - Supplies & Materials

Item	Quantity	Unit Price	FY 2025 Request	FY 2024 Authorized	Variance Increase/ (Decrease)
General Office Supplies			\$ 3,000.00	\$ 3,000.00	\$ -
Computer related supplies (toners, etc.)			\$ 2,000.00	\$ 2,000.00	\$ -
Total Supplies & Materials			\$ 5,000.00	\$ 5,000.00	\$ -

Schedule D - Equipment

Item	Quantity	Unit Price	FY 2025 Request	FY 2024 Authorized	Variance Increase/ (Decrease)
Laptops	5	\$2,000.00	\$ 10,000.00	\$ 7,500.00	\$ 2,500.00
Monitors	5	\$300.00	\$ 1,500.00	\$ 1,500.00	\$ -
Battery Back-up	4	\$250.00	\$ 1,000.00	\$ 1,000.00	\$ -
Total Equipment			\$ 12,500.00	\$ 10,000.00	\$ 2,500.00

Schedule E - Miscellaneous

Item	Quantity	Unit Price	FY 2025 Request	FY 2024 Authorized	Variance Increase/ (Decrease)
Internship	4	\$700.00	\$ 2,800.00	\$ 2,800.00	\$ -
Newspaper Advertisements (RFP for financial audit services, audit consultation, office lease, job announcements, etc.)			\$ 2,500.00	\$ 2,500.00	\$ -
Fuel (vehicles)			\$ 500.00	\$ 500.00	\$ -
Drug testing			\$ -	\$ 200.00	\$ (200.00)
Publication and Subscription			\$ 500.00	\$ 700.00	\$ (200.00)
Others (wire transfer fees / plaques)			\$ 500.00	\$ 3,300.00	\$ (2,800.00)
Total Miscellaneous			\$ 6,800.00	\$ 10,000.00	\$ (3,200.00)

Schedule F - Capital Outlay

Item	Quantity	Unit Price	FY 2025 Request	FY 2024 Authorized	Variance Increase/ (Decrease)
	0	\$0.00	\$ -	\$ -	\$ -
Total Capital Outlay			\$ -	\$ -	\$ -

Function: Office of Public Accountability
 Department/Agency: Office of Public Accountability
 Program: Office of Public Accountability

Government of Guam
 Fiscal Year 2025
 Budget Digest

[BBMR BD-1]

AS400 Account Code	Appropriation Classification	A	B	C	D	E	F	G	H	I	J	K	L
		GENERAL FUND			SPECIAL FUND 1/			FEDERAL MATCH			GRAND TOTAL (ALL FUNDS)		
		FY 2023 Expenditures & Encumbrances	FY 2024 Authorized Level	FY 2025 Governor's Request	FY 2023 Expenditures & Encumbrances	FY 2024 Authorized Level	FY 2025 Governor's Request	FY 2023 Expenditures & Encumbrances	FY 2024 Authorized Level	FY 2025 Governor's Request	FY 2023 Expenditures & Encumbrances	FY 2024 Authorized Level	FY 2025 Governor's Request
	PERSONNEL SERVICES												
111	Regular Salaries/Increments/Special Pay:	956,474	1,173,448	1,320,511	0	0	0	0	0	0	956,474	1,173,448	1,320,511
112	Overtime:	0	0	0	0	0	0	0	0	0	0	0	0
113	Benefits:	357,044	462,371	579,034	0	0	0	0	0	0	357,044	462,371	579,034
	TOTAL PERSONNEL SERVICES	\$1,313,518	\$1,635,819	\$1,899,545	\$0	\$0	\$0	\$0	\$0	\$0	\$1,313,518	\$1,635,819	\$1,899,545
	OPERATIONS												
220	TRAVEL - Off-Island/Local Mileage Reimbur	0	0	5,000	0	0	0	0	0	0	0	0	5,000
230	CONTRACTUAL SERVICES:	95,483	238,845	134,545	0	0	0	0	0	0	95,483	238,845	134,545
233	OFFICE SPACE RENTAL:	128,372	128,373	128,373	0	0	0	0	0	0	128,372	128,373	128,373
240	SUPPLIES & MATERIALS:	4,667	5,000	5,000	0	0	0	0	0	0	4,667	5,000	5,000
250	EQUIPMENT:	4,735	10,000	12,500	0	0	0	0	0	0	4,735	10,000	12,500
270	WORKERS COMPENSATION:	0	0	0	0	0	0	0	0	0	0	0	0
271	DRUG TESTING:	0	0	80	0	0	0	0	0	0	0	0	80
280	SUB-RECIPIENT/SUBGRANT:	0	0	0	0	0	0	0	0	0	0	0	0
290	MISCELLANEOUS:	6,657	10,000	6,800	0	0	0	0	0	0	6,657	10,000	6,800
	TOTAL OPERATIONS	\$239,915	\$392,218	\$292,298	\$0	\$0	\$0	\$0	\$0	\$0	\$239,915	\$392,218	\$292,298
	UTILITIES												
361	Power:	0	0	0	0	0	0	0	0	0	0	0	0
362	Water/ Sewer:	0	0	0	0	0	0	0	0	0	0	0	0
363	Telephone/ Toll:	2,514	2,700	3,000	0	0	0	0	0	0	2,514	2,700	3,000
	TOTAL UTILITIES	\$2,514	\$2,700	\$3,000	\$0	\$0	\$0	\$0	\$0	\$0	\$2,514	\$2,700	\$3,000
450	CAPITAL OUTLAY	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	TOTAL APPROPRIATIONS	\$1,555,947	\$2,030,737	\$2,194,843	\$0	\$0	\$0	\$0	\$0	\$0	\$1,555,947	\$2,030,737	\$2,194,843
	1/ Specify Fund Source												
	FULL TIME EQUIVALENCIES (FTEs)												
	UNCLASSIFIED:	1	1	1	0	0	0	0	0	0	1	1	1
	CLASSIFIED:	14	14	15	0	0	0	0	0	0	14	14	15
	TOTAL FTEs	15	15	16	0	0	0	0	0	0	15	15	16

Bureau of Budget Management Research
 Prior Year Obligations (FY 2024 and Prior FYs)

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	

- Notes:**
- Column A: Completion date of transaction or event prior to October 1, 2024.
 - 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

UFISINAN I KUINENTAN PUPBLIKU

FISCAL YEAR 2025
BUDGET PRESENTATION



AGENCY MANDATE

The Office of Public Accountability (OPA) is an instrumentality of the Government of Guam (GovGuam), independent of the executive, legislative, and judicial branches.

OPA seeks to achieve independent and nonpartisan assessments that promote accountability and efficient, effective management throughout GovGuam; and to serve the public's interest by providing the Governor of Guam, the Guam Legislature, and the people of Guam with dependable and reliable information, unbiased analyses, and objective recommendations on how best to use government resources in support of the well-being of our island and its constituents.

OPA was established by Public Law 21-122 on July 1992. Its enabling legislation is codified in Title 1 Guam Code Annotated (GCA) Chapter 19.



OPA

**MOTTO
MISSION
VISION**

■ **MOTTO**

Auditing for Good Governance

■ **MISSION**

We independently conduct audits and administer procurement appeals to safeguard public trust and promote good governance for the people of Guam.

■ **VISION**

The Government of Guam is the standard of public trust and good governance.

OPA | CORE VALUES

■ OBJECTIVE

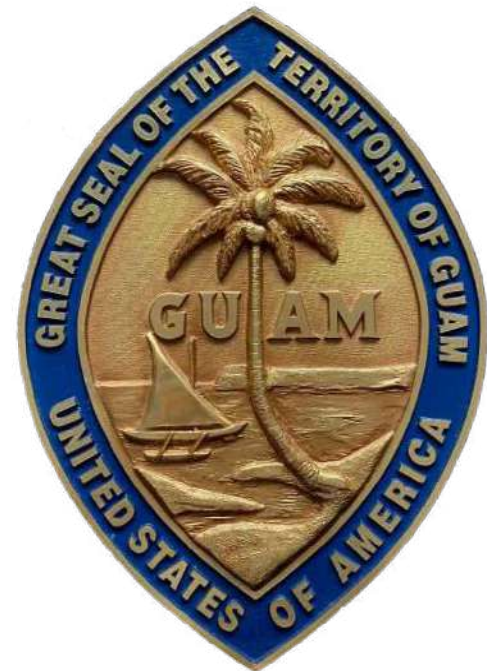
To have an independent and impartial mind.

■ PROFESSIONAL

To adhere to ethical and professional standards.

■ ACCOUNTABLE

To be responsible and transparent in our actions.



GOALS

- 1 Achieve independence from budget control by securing amendment to OPA's enabling legislation for the continuing annual budget of .25% of GovGuam's annual general fund gross revenues.
- 2 Issue performance audits to improve the accountability, transparency, effectiveness, efficiency, and economy of government programs and agencies.
- 3 Issue GovGuam and component unit financial audits within six months after the fiscal year-end to provide more timely information.
- 4 Expeditiously issue decision on procurement appeals.
- 5 Monitor the General Fund's balance and find ways to reduce revenue loss, enhance revenue collections, and identify cost savings.
- 6 Improve the quality of GovGuam financial reporting.

OBJECTIVES

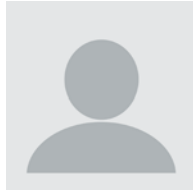
- 1 Conduct audits of government programs and entities to determine if goals and objectives are being achieved effectively, economically, and efficiently.
- 2 Direct and supervise all financial and management audits conducted pursuant to 1 GCA §1908, so that annual audits are completed for the prior fiscal year no later than June 30.
- 3 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.
- 4 Report to the Attorney General of Guam for prosecution of violations of law, where such violations pertain to the expenditures of funds and property of GovGuam.
- 5 Hear and decide all procurement appeals that arise under 5 GCA §5425(c), as provided for by 5 GCA §5425(e).

ORGANIZATIONAL CHART

AS OF MARCH 2024



Benjamin J.F. Cruz
Public Auditor



VACANT
Accountability Director

VACANT
Managing Accountability Auditor



Marisol Andrade, CGFM
Administrative Services Officer



Vincent Duenas
Supervising Accountability Auditor



Jerrick Hernandez, MA, CGFM, CFE, CICA, CGAP
Accountability Auditor III



Maria Thyrza Bagana, CGFM, CFE
Accountability Auditor III



Joy Esperanza, CGFM
Accountability Auditor III



Maryann Manglona, CPA
Accountability Auditor III



Thomas Eladio Battung, CFE
Accountability Auditor I

Frederick Jones, MBA, CFE
Accountability Auditor II

Mariella Cruz
Accountability Auditor I

Ren Erbil Jalandoni, CFE
Accountability Auditor I

Selina Onedera-Salas, CGFM
Accountability Auditor I

Kayleen Concepcion
Accountability Auditor I

Thomas Quichocho
Accountability Auditor I

Melissa Ngiralmu, MPA
Accountability Auditor I

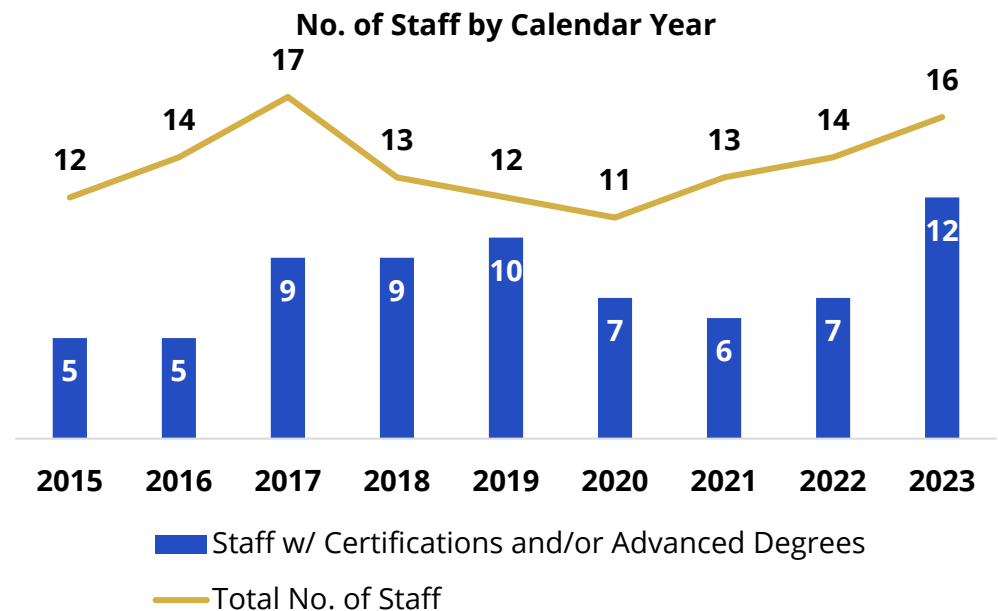




STAFFING LEVEL

OPA sustains a diverse workforce composed of individuals with professional certifications/advanced degrees, qualifications and experience. In CY 2023, OPA had 15 full-time employees with an average professional audit experience of eight years.

In CY 2023, two Accountability Auditor Is resigned; however, OPA recruited two Accountability Auditor IIIs and two Accountability Auditor Is during the year. At the end of 2023, OPA had fourteen full-time auditors, an administrative services officer, and the Public Auditor.



2023 SUMMARY.

11 52 22 7 6

We issued eleven **performance audits** that identified \$41M in total financial impact.

We made fifty-two **audit recommendations** to GovGuam entities to improve program efficiencies, revenue collection, and government expenditures.

We issued, monitored, and oversaw twenty-two **financial audits** (government-wide and component units).

We assisted in the procurement process of seven independent financial audit services **Request for Proposals** for five GovGuam entities.

We received six **procurement appeals**. As of February 2024, three of the six appeals were dismissed, one decision was issued, and two appeals are ongoing.

PERFORMANCE AUDITS

OPA issued eleven performance audits in 2023 with a collective financial impact of \$41M to our government.

Report No.	Report Title	Total Financial Impact
23-03	Department of Revenue and Taxation Business Privilege Tax on Military Construction Contracts	\$ 22,453,036
23-04	Guam Department of Education Overtime Payments	640,055
23-05	Government of Guam COVID-19 Quarantine and Isolation Facilities Utilization Analysis	15,700,000
23-06	Guam Economic Development Authority Procurement of Consultant Services for New Hospital Development	1,984,000
23-10	Government-wide Credit/Debit Card Use Series, Part I – Guam Power Authority and Guam Waterworks Authority	100,821
23-11	Government-wide Credit/Debit Card Use Series, Part II – Guam Visitors Bureau	35,110
Total		\$ 40,913,022

With the eleven performance audits issued in CY 2023, we collectively provided 52 audit recommendations to GovGuam entities. These audit recommendations focused on improving program efficiencies, revenue collection, and government expenditures.

REPORT NO.	REPORT TITLE	# OF RECOMMENDATIONS	RELEASE DATE
23-01	Office of Public Accountability Status of Audit Recommendations	-	January 2023
23-02	Department of Revenue and Taxation Assessments and Collections of Excise Taxes for Alcoholic Beverages and Tobacco Products	5	February 2023
23-03	Department of Revenue and Taxation Business Privilege Tax on Military Construction Contracts	8	March 2023
23-04	Guam Department of Education Overtime Payments	3	April 2023
23-05	Government of Guam COVID-19 Quarantine and Isolation Facilities Utilization Analysis	3	April 2023
23-06	Guam Economic Development Authority Procurement of Consultant Services for New Hospital Development	1	August 2023
23-07	Guam Department of Education Education Stabilization Fund Expenditures [Flash Report]	-	August 2023
23-08	Chamorro Land Trust Commission Oversight of the Removal of Coral Material from the Guam International Raceway Park	3	September 2023
23-09	Guam Contractors License Board Licensing and Investigation Procedures	7	November 2023
23-10	Government-wide Credit/Debit Card Use Series, Part I – Guam Power Authority and Guam Waterworks Authority	15	December 2023
23-11	Government-wide Credit/Debit Card Use Series, Part II – Guam Visitors Bureau	7	December 2023

**TOTAL AUDIT
RECOMMENDATIONS** **52**



FINANCIAL AUDITS

OPA monitored, reviewed, analyzed, and issued twenty-two financial audits of autonomous agencies and the General Fund.

Twenty-one GovGuam entities/funds received unmodified (or “clean”) opinions on their FY 2022 financial statements.

Title 1 GCA §1909(a) and the Federal Single Audit require all financial audits to be issued by June 30th or nine months after the fiscal year end.

OPA's goal is to issue financial audits no later than six months after the fiscal year end (March 31st).

REQUESTS FOR PROPOSAL

In 2023, OPA issued seven Requests for Proposals (RFP) for five GovGuam agencies' independent financial audit services. All contracts for financial audit services are for three years, which cover FY 2021 through FY 2025.

OPA assisted with the procurement process except negotiation, which was done by the GovGuam entities; however, going forward, OPA will administer RFPs for financial audits for entities under the purview of the Department of Administration, to include the GovGuam-wide financial audit.

PROCUREMENT APPEALS

OPA received six procurement appeals in CY 2023. As of February 2024, three of the six appeals were dismissed and one decision was issued. Two appeals are ongoing, but these appeals have been consolidated as they involve the same parties for the same procurement.

OPA's goal is to resolve procurement appeals timely or 90 to 120 days from the time of filing.

For FY 2023, legal costs for procurement appeals and other legal services amounted to \$31.2K.

OPA APPEAL NO. & SUBJECT	VALUE	STATUS
OPA-PA-23-001 Purchase Order No. PO 28553, Access Control System for Lobby Elevator and Stairway No. 3, Fadian*	\$ -	Dismissed
OPA-PA-23-002 Management & Infrastructure Support Services to Guam International Airport Authority's Baggage Conveyance Systems	\$1.3M	Decision
OPA-PA-23-003 Purchase of Administrative and Instructional Supplies*	\$ -	Dismissed
OPA-PA-23-004 Performance Management Contract for Guam Power Authority's Yigo Diesel Contractors*	\$ -	Dismissed
OPA-PA-23-005 & OPA-PA-23-006 Plan Administration Services Related to the Defined Contribution Retirement System (401(a) Plan) Deferred Compensation Plan and Welfare Benefit Plan*	\$ -	Ongoing

**Monetary value could not be identified.*

A blue-tinted photograph of a coastal cliffside. In the foreground, a wooden walkway with a metal railing runs along the edge of the cliff. The cliff face is steep and rocky, with some sparse vegetation. In the background, the ocean stretches to the horizon under a cloudy sky. The overall mood is serene and scenic.

CHALLENGES & OUTLOOK



FULL COMPLIANCE RATING FOR PEER REVIEW

Public Auditor Benjamin J.F. Cruz proudly announces that the OPA received a peer review rating of full compliance for its 2023 peer review – the highest level of compliance given to audit organizations. This is Public Auditor Cruz’s second peer review since his election as 2018. This was the OPA’s 8th full compliance rating.

The Association of Pacific Islands Public Auditors (APIPA) peer review team was led by FSM National Government Audit Supervisor Brandon Rodriguez, with team members and observers – CNMI Public Auditor Dora De Leon Guerrero and Audit Supervisor Wilma Atalig-Fejeran, and FSM Senior Auditor Joey Iwo. The review took place on June 26th to 30th, 2023 at the Guam OPA office in Hagatna, and covered OPA audits issued from January 1, 2020 to December 31, 2022.

OPA’s next peer review is tentatively scheduled for 2026.



OPA STRATEGIC PLAN

In 2023, we updated our Strategic Plan for CY 2024-2028 with assistance from the Pacific Association of Supreme Audit Institutions.

We envision GovGuam as the standard of public trust and good governance. OPA's strategic plan serves as our comprehensive roadmap, which outlines our strategies to accomplish our mission. To ensure public trust and assure good governance in GovGuam, the OPA will endeavor to accomplish the following strategic priorities:

- 1) Protect and enhance the independence of OPA
- 2) Timely delivery of impactful and quality audit reports.
- 3) Continue to deliver timely decisions on procurement appeals.
- 4) Foster and enhance public perception and OPA awareness to stakeholders; and
- 5) Recruit and retain competent, high-performing staff to provide impactful and quality services.



RECRUITMENT & RETENTION

Over the last two years, four employees have left the OPA. OPA currently has 15 staff as of March 2024, with five individuals having more than ten years of audit experience, and one individual with more than five years of audit experience. Seven auditors have less than five years of audit experience.

The implementation of the OPA's 2014 Leading Edge Study and the updated General Pay Plan in FY 2023 addressed much of the pay gaps and brought Accountability Auditors closer to their counterparts in the autonomous agencies salary-wise. However, lingering pay gaps may be addressed with the adoption and implementation of the Market Premium Pay Policy being drafted by the Department of Administration.



Procurement Appeals

There has been some uncertainty as to the proper procedure for judicial review of decisions by the Public Auditor in procurement appeals and related matters. To address this confusion, the procedures for judicial review needs to be clarified to be similar to judicial reviews of other administrative agency decisions under Guam law.

Technology

Due to the COVID-19 pandemic, our office has taken measures to transition into a more mobile office. We have provided our staff with the ability to telework by enabling remote access to OPA's server. We are also working to have our website allow GovGuam agencies to transmit and file documents with us.

Legislative Mandates

Our office manages to carry out the legislative mandates lawmakers trust us with. Given the capacity our office can afford, however, we continue to request that certain mandates be reviewed and amended.



OTHER CHALLENGES

FY 2025

BUDGET REQUEST

FY	CHANGE
2023 \$2,024,805	↑ \$372K
2022 \$1,653,203	↑ \$341K
2021 \$1,311,828	↑ \$58K

The OPA's FY 2025 budget request has been calculated at 0.25% of the total General Fund (GF) Revenues. Using the FY 2025 Executive Budget Request total GF revenue of \$877,937,338, this amounts to \$2,194,843 for FY 2025.

For the past three fiscal years, FY 2021 to FY 2023, OPA's appropriation averaged \$1.66M.

In FY 2022, OPA was authorized to carryover lapses from FY 2021 for a total of \$98,346, which the office used to purchase new equipment, replace aging workstations, and fund additional personnel costs in FY 2022.

In FY 2021, OPA was also authorized to carryover lapses of \$144,940 from FY 2020 for the same purpose.

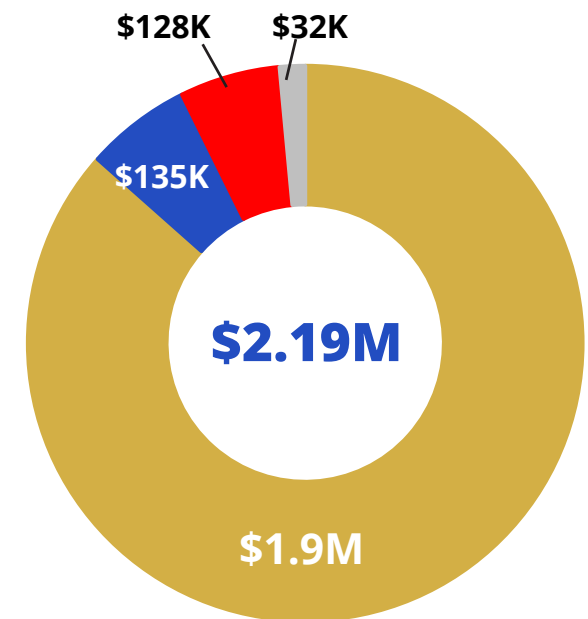
FY 2025 BUDGET REQUEST

We respectfully request the 37th Guam Legislature to approve OPA's budget of \$2,194,843 – or 0.25% of the annual total General Fund gross revenues – which includes \$1.9M to fund our current staff complement of 15, including two staff promotions and the additional of two new Accountability Auditor Is.

Our budget request also includes \$295K to fund rent and other contractual obligations, inclusive of funding for procurement appeals hearing officers, equipment, website services, audit software license and maintenance, and utilities.

We also respectfully request the 37th Guam Legislature to approve the following:

- Authorize the carryover of any allotted but unexpended balance of funds appropriated to the OPA for FY 2024 and prior fiscal years.
- Authorize and codify the OPA's continuing annual budget of not less than one-quarter of one percent (0.25%) of the annual total General Fund gross revenues of GovGuam for FY 2025 and beyond, as proposed in Bill No. 227-37 introduced by Senators Joanne Brown and Telo Taitague.



- Salaries & Benefits
- Contractual
- Rent
- Supplies, Equipment, Utilities, etc.

Estimates

Salaries	\$ 1,320,511
Benefits	579,034
Subtotal	1,899,545
Contractual	134,545
Rent	128,373
Supplies	5,000
Equipment	12,500
Miscellaneous	6,800
Drug Testing	80
Utilities	3,000
Total Budget Request	\$ 2,194,843

FY 2025 BUDGET REQUEST SUMMARY



Benjamin J. F. Cruz

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