

Office of Public Accountability

Fiscal Year 2018 Budget Request and Presentation

As of March 2017

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

March 10, 2017

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

Subject: FY 2018 Budget Request

Dear Speaker Cruz and Committee Members,

The Office of Public Accountability (OPA) is pleased to present our fiscal year (FY) 2018 budget request of \$1,800,030 which includes \$158 thousand (K) to fund three auditor vacancies. This amount also includes \$110K estimated to slot existing OPA staff to new Accountability Auditor positions based on OPA's Compensation Study. These costs would be absorbed if OPA is authorized to carry over lapsed funds from FY 2012, FY 2013, and FY 2017.

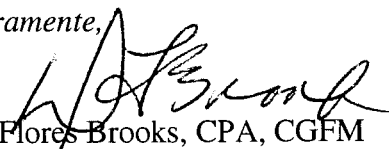
Our FY 2017 appropriation was \$1,396,898 without receipt of prior year lapses. Our FY 2016 appropriation of \$1,611,851, which includes prior year carry over funds of \$222 thousand (K).

The attached presents OPA's accomplishments for this past year and OPA's audit and procurement appeals plans to achieve our goals. As part of OPA's FY 2018 proposal, we respectfully request that the Legislature

- Approve OPA's lump sum budget of \$1,800,030 to allow for flexibility;
- Approve the carryover of lapses from FY 2012, FY 2013, and FY 2017 into the FY 2018 budget appropriation;
- Continue to exempt OPA from BBMR allotment control similar to other elected offices and the Judiciary;
- Approve a salary adjustment for the Public Auditor; 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,


Doris Flores Brooks, CPA, CGFM
Public Auditor

**BUREAU OF BUDGET AND MANAGEMENT RESEARCH
FISCAL YEAR 2018
BUDGET DOCUMENT CHECKLIST**

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

Date Received by BBMR: _____
Date Reviewed: _____

	<u>Department/Agency</u>		<u>BBMR</u>	
	<u>Yes</u>	<u>No</u>	<u>Yes</u>	<u>No</u>
<u>General</u>				
Is the department/agency request within the Governor's established ceiling?	<u>X</u>	_____	_____	_____
Does the SUMMARY digest totals equal the totals on the detail pages?	<u>X</u>	_____	_____	_____
Are the required budget forms attached?				
a. Agency Budget Certification [BBMR ABC]	<u>X</u>	_____	_____	_____
b. Agency Narrative Form [BBMR AN-N1]	<u>X</u>	_____	_____	_____
c. Decision Package [BBMR DP-1]	<u>X</u>	_____	_____	_____
d. Program Budget Digest Forms [BBMR BD-1, BBMR TA-1, BBMR 96A - REVISED]	<u>X</u>	_____	_____	_____
e. FY 2018 (Proposed) Agency Staffing Pattern [BBMR SP-1] - All Fund Sources	<u>X</u>	_____	_____	_____
f. FY 2017 (Current) Agency Staffing Pattern [BBMR SP-1] - All Fund Sources	<u>X</u>	_____	_____	_____
g. Federal Program Inventory Form [BBMR FP-1]	<u>X</u>	_____	_____	_____
h. Equipment/Capital Listing & Space Requirement Form [BBMR EL-1]	<u>X</u>	_____	_____	_____
i. Prior Year Obligation Form [BBMR PYO-1]	<u>X</u>	_____	_____	_____
Are the E-Files attached for all budget forms?	<u>X</u>	_____	_____	_____
I. Agency Budget Certification [BBMR ABC]				
1. Is the budget certified as to its accuracy and BBMR requirements.	<u>X</u>	_____	_____	_____
II. Agency Narrative Form [BBMR AN-N1]				
1. Is the mission statement correct and consistent with the department/agency's enabling act?	<u>X</u>	_____	_____	_____
2. Are the goals and objectives correct and consistent with the department/agency's mission?	<u>X</u>	_____	_____	_____
III. Decision Package [BBMR DP-1]				
1. Is activity description correct?	<u>X</u>	_____	_____	_____
2. Is major objective correct?	<u>X</u>	_____	_____	_____
3. Are short term goals correct?	<u>X</u>	_____	_____	_____
4. Is workload output reflected correctly?	<u>X</u>	_____	_____	_____
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)?	<u>X</u>	_____	_____	_____
2. Are amounts reflected in each column accurate?	<u>X</u>	_____	_____	_____
3. Are computations correct?	<u>X</u>	_____	_____	_____
<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)?	<u>X</u>	_____	_____	_____
2. Are amounts reflected in each column accurate?	<u>X</u>	_____	_____	_____
3. Are computations correct?	<u>X</u>	_____	_____	_____
<u>Utilities</u>				
Are amounts reflected in each column correct?	<u>X</u>	_____	_____	_____
<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]?	<u>X</u>	_____	_____	_____
<u>Full Time Equivalencies (FTEs)</u>				
Are the number of FTEs for both "Unclassified" and "Classified" accurately reflected under each column?	<u>X</u>	_____	_____	_____
B.) Off-Island Travel Form [BBMR TA-1] (Schedule A)				
1. Is the purpose/justification for travel defined?	<u>X</u>	_____	_____	_____
2. Is/Are the travel date(s) and number of travelers reflected?	<u>X</u>	_____	_____	_____

**BUREAU OF BUDGET AND MANAGEMENT RESEARCH
FISCAL YEAR 2018
BUDGET DOCUMENT CHECKLIST**

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

Date Received by BBMR: _____
Date Reviewed: _____

	<u>Department/Agency</u>		<u>BBMR</u>	
	<u>Yes</u>	<u>No</u>	<u>Yes</u>	<u>No</u>
2. Is/Are the travel date(s) and number of travelers reflected?	<u>X</u>	_____	_____	_____
3. Is/Are the position title(s) of the traveler(s) reflected?	<u>X</u>	_____	_____	_____
4. Are all columns (Air Fare, Per Diem, Registration, and Total Cost) accurate?	<u>X</u>	_____	_____	_____
C.) Operations Schedules Form [BBMR 96A - REVISED] (Schedules B-F)				
1. Are "Items" under schedules B - F listed in <u>detail</u> ?	<u>X</u>	_____	_____	_____
2. Is the "Quantity" and "Unit Price" under schedules B - F reflected for respective items?	<u>X</u>	_____	_____	_____
3. Are corresponding FY 2017 authorized levels under schedules B - F indicated?	<u>X</u>	_____	_____	_____
V. Agency Staffing Pattern Forms [BBMR SP-1]				
1. Are position titles correct?	<u>X</u>	_____	_____	_____
2. Are all LTA and Temp. positions properly identified?	<u>X</u>	_____	_____	_____
3. Are position numbers reflected?	<u>X</u>	_____	_____	_____
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%)?	<u>X</u>	_____	_____	_____
5. Are filled positions funded?	<u>X</u>	_____	_____	_____
6. Are increment amounts reflected?	<u>X</u>	_____	_____	_____
7. Are rates reflected under "Benefits" correct?	<u>X</u>	_____	_____	_____
8. Are computations correct?	<u>X</u>	_____	_____	_____
VI. Federal Program Inventory Form [BBMR FP-1]				
Is the form complete and accurate?	<u>X</u>	_____	_____	_____
VII. Equipment/Capital Listing & Space Requirement Form [BBMR EL-1]				
1. Is the description of the equipment and/or capital item(s) detail?	<u>X</u>	_____	_____	_____
2. Is the "quantity" and "percentage of use" reflected?	<u>X</u>	_____	_____	_____
3. Are space requirements descriptive and total space reflected and accurate?	<u>X</u>	_____	_____	_____
VIII. Prior Year Obligation Form [BBMR PYO-1]	<u>X</u>	_____	_____	_____

CERTIFIED AS TO COMPLETENESS AND ACCURACY

DEPARTMENT: _____
Prepared By: YUKARI HECHANOVA, Deputy Public Auditor

Approved By: _____
DORIS FLORES-BROOKS, Public Auditor
(Signature of Dept/Agency Head) 3/10/17
Date

BBMR ACTION:

Recommendation

Approval
 Disapproval

Analyst

Date

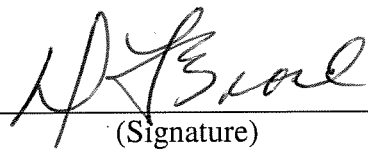
**Government of Guam
Fiscal Year 2018**

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** are not met and/or if there are **inaccuracies** contained therein.

Agency Head: 
(Signature)

Date: 3/10/17

**Government of Guam
Fiscal Year 2018 Budget
Department / Agency Narrative**

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

DEPT. / AGENCY: Office of Public Accountability

** Please see Power Point Presentation for Complete Narrative Details **

MISSION STATEMENT:

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

VISION STATEMENT:

The Government of Guam is the model for good governance in the Pacific.

Guam OPA is a model robust audit office.

GOALS AND OBJECTIVES:

To ensure 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.

Government of Guam
Fiscal Year 2018
Budget Digest

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

AS400 Account Code	Appropriation Classification	GENERAL FUND			SPECIAL FUND 1/			FEDERAL MATCH			GRAND TOTAL (ALL FUNDS)		
		FY 2016 Expenditures & Encumbrances	FY 2017 Authorized Level	FY 2018 Governor's Request	FY 2016 Expenditures & Encumbrances	FY 2017 Authorized Level	FY 2018 Governor's Request	FY 2016 Expenditures & Encumbrances	FY 2017 Authorized Level	FY 2018 Governor's Request	FY 2016 Expenditures & Encumbrances (A + D + G)	FY 2017 Authorized Level (B + E + H)	FY 2018 Governor's Request (C + F + I)
	PERSONNEL SERVICES												
111	Regular Salaries/Increments/Special Pay:	764,529	818,114	970,611	0	0	0	0	0	0	0	970,611	
112	Overtime:	0	0	0	0	0	0	0	0	0	0	0	
113	Benefits:	266,453	284,643	334,973	0	0	0	0	0	266,453	284,643	334,973	
	TOTAL PERSONNEL SERVICES	\$1,030,982	\$1,102,757	\$1,305,584	\$0	\$0	\$0	\$0	\$0	\$1,030,982	\$1,102,757	\$1,305,584	
	OPERATIONS												
220	TRAVEL - Off-Island/Local Mileage Reimburs:	12,922	15,000	16,000	0	0	0	0	0	0	0	16,000	
230	CONTRACTUAL SERVICES:	253,946	153,924	213,255	0	0	0	0	0	253,946	153,924	213,255	
233	OFFICE SPACE RENTAL:	117,659	120,972	133,069	0	0	0	0	0	117,659	120,972	133,069	
240	SUPPLIES & MATERIALS:	26,568	1,000	6,000	0	0	0	0	0	26,568	1,000	6,000	
250	EQUIPMENT:	63,886	0	8,850	0	0	0	0	0	63,886	0	8,850	
270	WORKERS COMPENSATION:	0	0	0	0	0	0	0	0	0	0	0	
271	DRUG TESTING:	160	0	0	0	0	0	0	0	160	0	0	
280	SUB-RECIPIENT/SUBGRANT:	0	0	0	0	0	0	0	0	0	0	0	
290	MISCELLANEOUS:	3,703	700	3,900	0	0	0	0	0	3,703	700	3,900	
	TOTAL OPERATIONS	\$478,844	\$291,596	\$381,074	\$0	\$0	\$0	\$0	\$0	\$478,844	\$291,596	\$381,074	
	UTILITIES												
361	Power:	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	
363	Telephone/ Toll:	2,659	2,545	3,000	0	0	0	0	0	2,659	2,545	3,000	
	TOTAL UTILITIES	\$2,659	\$2,545	\$3,000	\$0	\$0	\$0	\$0	\$0	\$2,659	\$2,545	\$3,000	
	CAPITAL OUTLAY	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
	TOTAL APPROPRIATIONS	\$1,512,486	\$1,396,898	\$1,689,658	\$0	\$0	\$0	\$0	\$0	\$1,512,486	\$1,396,898	\$1,689,658	
	1/ Corrections Inmate Revolving Fund and Safe Streets Fund												
	FULL TIME EQUIVALENCIES (FTEs)												
	UNCLASSIFIED:	6	6	6	0	0	0	0	0	6	6	6	
	CLASSIFIED:	9	9	11	0	0	0	0	0	9	9	11	
	TOTAL FTEs	15,000	15,000	17,000	0,000	0,000	0,000	0,000	0,000	15,000	15,000	17,000	

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 National State Auditor Association (NSAA) Annual Conference and the Association of Certified Fraud Examiners (ACFE) Conference held in the summer of each year.				
Travel Date: <u>Summer 2018</u>		No. of Travelers: <u>1</u> 1/		
Position Title of Traveler(s)	Air Fare	Per diem 2/	Registration	Total Cost
Public Auditor (NASACT)	\$ 2,000.00	\$ 2,000.00	\$ 800.00	\$ 4,800.00
Public Auditor (PASAI Congress-Self funded)	\$ 2,000.00	\$ 2,200.00	\$ -	\$ 4,200.00

Purpose / Justification for Travel				
To attend the Government Finance Officers Association (GFOA) and the Association of the Pacific Island Public Auditors (APIPA) Annual Conferences held in the summer of each year.				
Travel Date: <u>Summer 2018</u>		No. of Travelers: <u>1</u> 1/		
Position Title of Traveler(s)	Air Fare	Per diem 2/	Registration	Total Cost
Public Auditor (GFOA)	\$ 1,800.00	\$ 1,300.00	\$ 900.00	\$ 4,000.00
Public Auditor (APIPA)	\$ 1,000.00	\$ 1,500.00	\$ 500.00	\$ 3,000.00

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

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 2018 Request	FY 2017 Authorized	Variance Increase/(Decrease)
Website Hosting & Maintenance	12	\$1,200.00	\$ 14,400.00	\$ 12,600.00	\$ 1,800.00
OPA Consulting Services (computer, personnel, payroll)	12	\$2,000.00	\$ 24,000.00	\$ 8,000.00	\$ 16,000.00
Audit Fees:					
MCOG NAF Attestation Service (FY16 Report)	1	\$40,000.00	\$ 40,000.00	\$ 40,000.00	\$ -
OPA Legal Services	1	\$20,000.00	\$ 20,000.00	\$ 5,969.00	\$ 14,031.00
Hearing Officers	12	\$6,250.00	\$ 75,000.00	\$ 65,000.00	\$ 10,000.00
OPA Copier Lease, Maintenance & Supply Plan	12	\$350.00	\$ 4,200.00	\$ 4,200.00	\$ -
Professional Publications & Subscription	3	\$385.00	\$ 1,155.00	\$ 1,155.00	\$ -
Professional Association Memberships	30	\$300.00	\$ 9,000.00	\$ 7,000.00	\$ 2,000.00
TeamMate Annual Maintenance Fee	1	\$15,000.00	\$ 15,000.00	\$ 10,000.00	\$ 5,000.00
Vehicle Maintenance	1	\$500.00	\$ 500.00	\$ -	\$ 500.00
Phone system Maintenance	12	\$500.00	\$ 6,000.00	\$ -	\$ 6,000.00
PASAI Membership Dues	1	\$4,000.00	\$ 4,000.00	\$ -	\$ 4,000.00
Total Contractual			\$ 213,255.00	\$ 153,924.00	

Schedule C - Supplies & Materials

Item	Quantity	Unit Price	FY 2018 Request	FY 2017 Authorized	Variance Increase/(Decrease)
General Office Supplies	12	\$250.00	\$ 3,000.00	\$ -	\$ 3,000.00
Toner Cartridges for printers	10	\$200.00	\$ 2,000.00	\$ -	\$ 2,000.00
Fuel	1	\$1,000.00	\$ 1,000.00	\$ 1,000.00	\$ -
Total Supplies & Materials			\$ 6,000.00		

Schedule D - Equipment

Item	Quantity	Unit Price	FY 2018 Request	FY 2017 Authorized	Variance Increase/(Decrease)
4-in-1 Desktop Copier	1	\$1,000.00	\$ 1,000.00	\$ -	\$ 1,000.00
Filing cabinet, 4-Drawer, legal	1	\$400.00	\$ 400.00	\$ -	\$ 400.00
Adobe Acrobat	12	\$500.00	\$ 6,000.00	\$ -	\$ 6,000.00
Projector	1	\$1,200.00	\$ 1,200.00	\$ -	\$ 1,200.00
Norton Anti-Virus	1	\$250.00	\$ 250.00	\$ -	\$ 250.00
Total Equipment			\$ 8,850.00		

Schedule E - Miscellaneous

Item	Quantity	Unit Price	FY 2018 Request	FY 2017 Authorized	Variance Increase/(Decrease)
Print Advertisement	4	\$600.00	\$ 2,400.00	\$ -	\$ 2,400.00
Others	1	\$1,500.00	\$ 1,500.00	\$ -	\$ 1,500.00
	0	\$0.00	\$ -	\$ -	\$ -
	0	\$0.00	\$ -	\$ -	\$ -
	0	\$0.00	\$ -	\$ -	\$ -
	0	\$0.00	\$ -	\$ -	\$ -
Total Miscellaneous			\$ 3,900.00		

Schedule F - Capital Outlay

Item	Quantity	Unit Price	FY 2018 Request	FY 2017 Authorized	Variance Increase/(Decrease)
	0	\$0.00	\$ -	\$ -	\$ -
	0	\$0.00	\$ -	\$ -	\$ -
	0	\$0.00	\$ -	\$ -	\$ -
	0	\$0.00	\$ -	\$ -	\$ -
	0	\$0.00	\$ -	\$ -	\$ -
	0	\$0.00	\$ -	\$ -	\$ -
Total Capital Outlay			\$ -		

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

FUNCTIONAL AREA: OFFICE OF PUBLIC ACCOUNTABILITY

DEPARTMENT/AGENCY: OFFICE OF PUBLIC ACCOUNTABILITY

PROGRAM: OFFICE OF PUBLIC ACCOUNTABILITY

FUND: GENERAL FUND

No.	Position Number	Position Title 1/ GENERAL FUND	Name of Incumbent	Grade/Step	Salary	Overtime	Special*	Increment		(J) Subtotal	(K) Retirement 0.1 * 27.41% / 1/	(L) Retire (DDI) (\$19.91 * 26.77) / 2/	(M) Social Security (6.2% * J)	(N) Medicare (1.45% * J)	(O) Life	Input by Department		(R) Total Benefits (K thru Q)	(S) (J + R) TOTAL		
								Date	Amnt.							(P) Medical (Premium)	(Q) Dental (Premium)				
1	----	Division 1	General Fund	----	\$989,592	\$0	\$48,331		\$12,688	\$978,611	\$268,956	\$8,918	\$0	\$14,074	\$3,284	\$56,078	\$3,751	\$334,973	\$1,365,584		
2	----			----																	
3	----			----																	
4	----			----																	
5	----			----	\$0	\$0	\$0		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
6	----			----																	
			GRAND TOTAL		\$989,592	\$0	\$48,331		\$12,688	\$978,611	\$268,956	\$8,918	\$0	\$14,074	\$3,284	\$56,078	\$3,751	\$334,973	\$1,365,584		

* Night Differential / Hazardous / Worker's Compensation / etc.
1/ FY 2018 (Proposed) GovGuam contribution rate of 27.41% for the Government of Guam Retirement is subject to change.
2/ FY 2018 (Proposed) GovGuam contribution rate of \$19.91 (bi-weekly) for DDI is subject to change.
3/ FY 2018 (Proposed) GovGuam contribution rate of \$178 (per annum) for Life Insurance is subject to change.

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

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

No.	(A) Position Number	(B) Position Title I/	(C) Name of Incumbent	(D) Grade/ Step	(E) Salary	(F) Overtime	(G) Special*	(H) Increment		(I) Amt.	(J) (E+F+G+H) Subtotal	(K) Retirement (J * 27.71%) / 2	(L) Retiree (DDI) (\$19.01 * 20PP) / 2	(M) Social Security (6.2% * J)	(N) Medicare (1.45% * J)	(O) Life Insurance 4/	(P) Input by Department			(R) Total Benefits (K thru Q)	(S) (J + R) TOTAL
								Date	Rate								Medical (Premium)	Dental (Premium)			
1	1	Public Auditor	Doris Flores Brooks	PA-01	\$100,000	\$0	\$15,000			\$0	\$115,000	\$31,867	\$495	\$0	\$1,668	178	\$2,981	\$404	\$37,593	\$152,593	
2	2	Administrative Officer	Marisol M. Andrade	K-06	40,841	0	40,970	0	9/1/2018	129	40,970	11,353	495	0	594	178	3,773	239	16,632	57,602	
3	3	Special Assistant	Rodilyn May A. Gerardo	R-08	84,632	0	12,695	0	1/5/2019	0	97,327	26,969	495	0	1,411	178	1,321	224	30,598	127,925	
4	4	Auditor III	Jerrick J.G. Hernandez	N-04	50,328	0	13,076	0	2/6/2018	1,271	51,599	14,298	495	0	748	178	1,321	224	17,264	68,863	
5	5	Deputy Public Auditor	Yukari B. Hechanova	N-04	87,173	0	13,076	0	10/30/2017	2,180	102,429	28,363	495	0	1,485	178	1,806	239	32,586	135,015	
6	6	Auditor III	Clariza Mae G. Roque	N-04	50,328	0	13,076	0	2/6/2018	1,271	51,599	14,298	495	0	748	178	2,473	224	18,416	70,015	
7	7	Auditor III	Maria Thyra D. Begonia	N-04	50,328	0	13,076	0	2/6/2018	1,271	51,599	14,298	495	0	748	178	6,235	404	22,358	73,957	
8	8	Auditor I	Andriana U. Quitugua	K-03	36,530	0	7,560	0	5/26/2018	577	37,107	10,282	495	0	538	178	1,321	224	13,038	48,600	
9	9	Auditor I	Christina S. Rivera	K-03	36,530	0	7,560	0	6/8/2018	461	36,991	10,250	495	0	538	178	2,145	0	13,604	50,595	
10	10	Auditor I	Anacris V. Legashi	N-01	45,014	0	0	0	6/1/2018	569	45,583	12,631	495	0	661	178	2,473	224	16,662	62,245	
11	11	Auditor III	Vacant (Funded)	N-01	40,762	0	0	0	2/6/2018	1,630	41,792	11,581	495	0	606	178	1,321	224	14,405	56,197	
12	12	Auditor II	Edlyn M. Dallsay	N-01	0	0	0	0	-	0	0	0	0	0	0	0	0	0	0	0	0
13	13	Auditor II	Vacant	N-01	0	0	0	0	-	0	0	0	0	0	0	0	0	0	0	0	0
14	14	Auditor II	Vacant	N-01	0	0	0	0	-	0	0	0	0	0	0	0	0	0	0	0	0
15	15	Executive Secretary	Llewelyn R. Terleije	Q-07	75,602	0	7,560	0	12/1/2017	1,999	85,161	23,598	495	0	1,235	178	1,321	224	27,051	112,212	
16	16	Auditor I	Ira Marie Palero (LTA)	K-01	33,911	0	0	0	-	0	33,911	9,307	495	0	492	178	1,321	224	12,107	46,018	
17	17	Auditor II	Vacant	N-01	0	0	0	0	-	0	0	0	0	0	0	0	0	0	0	0	0
18	18	Auditor I	Vacant (Funded)	K-01	33,911	0	0	0	6/7/2018	428	34,339	9,515	495	0	498	178	2,473	224	13,383	47,722	
19	19	Auditor I	Michele S. Brillante	K-05	39,350	0	0	0	6/17/2018	497	39,847	11,042	495	0	578	178	1,321	224	13,838	53,685	
20	20	Management Analyst I	Frederick D. Jones (LTA)	K-01	33,911	0	0	0	-	0	33,911	9,307	495	0	492	178	1,321	224	10,562	44,473	
21	21	Auditor I	Vacant (Funded)	K-01	33,911	0	0	0	6/7/2018	428	34,339	9,515	495	0	498	178	2,473	224	13,383	47,722	
22	22																				
23	23																				
24	24																				
25	25																				
			Grand Total:		\$989,592	\$0	\$46,331			\$12,668	\$970,611	\$268,956	\$8,910	\$0	\$14,974	\$3,284	\$36,078	\$3,751	\$334,973	\$1,305,584	

* Night Differential / Hazardous / Worker's Compensation / etc.
 1/ Indicate "(LTA)" or "(Temp.)" next to Position Title (where applicable).
 2/ FY 2018 (Proposed) GovGuam contribution rate of 27.71 % for the Government of Guam Retirement is subject to change.
 3/ FY 2018 (Proposed) GovGuam contribution rate of \$19.01 (bi-weekly) for DDI is subject to change.
 4/ FY 2018 (Proposed) GovGuam contribution rate of \$7.17 (bi-weekly) for Life Insurance is subject to change.

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

Input by Department										
Special Pay Categories										
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)
Position Number	Position Title	Name of Incumbent	Holiday Pay	Night Differential Pay 10%	Hazard 10%	Hazard 8%	Nurse Sunday Pay 1.5	Nurse Pay 1.5	EMT Pay 15%	(D+E+F+G+H+I+J) Subtotal
1	Public Auditor	Doris Flores Brooks	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2	Administrative Officer	Marisol M. Andrade	0	0	0	0	0	0	0	0
3	Special Assistant	Rodalyne May A. Gerardo	0	0	0	0	0	0	0	0
4	Auditor III	Jerrick J.G. Hernandez	0	0	0	0	0	0	0	0
5	Deputy Public Auditor	Yukari B. Hechanova	0	0	0	0	0	0	0	0
6	Auditor III	Clariza Mae G. Roque	0	0	0	0	0	0	0	0
7	Auditor III	Maria Thyrsa D. Bagana	0	0	0	0	0	0	0	0
8	Auditor I	Andriana U. Quitugua	0	0	0	0	0	0	0	0
9	Auditor I	Christian S. Rivera	0	0	0	0	0	0	0	0
10	Auditor I	Amacris V. Legaspi	0	0	0	0	0	0	0	0
11	Auditor III	Vacant (Funded)	0	0	0	0	0	0	0	0
12	Auditor II	Edlyn M. Dalisay	0	0	0	0	0	0	0	0
13	Auditor II	Vacant	0	0	0	0	0	0	0	0
14	Auditor II	Vacant	0	0	0	0	0	0	0	0
15	Executive Secretary	Llewelyn R. Terlaje	0	0	0	0	0	0	0	0
16	Auditor I	Ira Marie Palero (LTA)	0	0	0	0	0	0	0	0
17	Auditor II	Vacant	0	0	0	0	0	0	0	0
18	Auditor I	Vacant (Funded)	0	0	0	0	0	0	0	0
19	Auditor I	Michele S. Brillante	0	0	0	0	0	0	0	0
20	Management Analyst I	Frederick D. Jones (LTA)	0	0	0	0	0	0	0	0
21	Auditor I	Vacant (Funded)	0	0	0	0	0	0	0	0
22	0	0	0	0	0	0	0	0	0	0
23	0	0	0	0	0	0	0	0	0	0
24	0	0	0	0	0	0	0	0	0	0
25	0	0	0	0	0	0	0	0	0	0
Grand Total:			\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

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 1/2 of reg. rate of pay from 12am Friday to 12 midnight Sunday

5/ 1 1/2 of reg. rate of pay on daily work exceeding 8 hours

6/ Applicable only to GFD ambulatory service personnel. 15% of reg. rate of pay

Government of Guam
Fiscal Year 2017
Agency Staffing Pattern
(CURRENT)

FUNCTIONAL AREA: PROTECTION OF LIFE & PROPERTY

DEPARTMENT/AGENCY: DEPARTMENT OF CORRECTIONS

PROGRAM: SUMMARY

FUND: General Fund

(A) Posi- tion Num- ber	(B) Posi- tion Title	(C) Name of Incumbent	(D) Grade/ Step	(E) Salary	(F) Overtime	(G) Specials	(H) Increment		(J) Subtotal (E+F+G+H)	(K) Retirement (J * 28.16%)	(L) Retire (DBI) (\$19.01 * 26PP)	(M) Social Security (6.2% * J)	(N) Medicare (1.45% * J)	(O) Life I/	(P) Medical (Premiums)	(Q) Dental (Premiums)	(R) Total Benefits (K thru Q)	(S) (J + R) TOTAL
							Date	Amt.										
1	GENERAL FUND																	
2	Division 1	General Fund		\$787,224	\$0	\$47,940		\$4,112	\$839,276	\$232,229	\$7,425	\$0	\$12,171	\$2,670	\$28,659	\$3,079	\$286,233	\$1,125,509
3				0	0	0		0	0	0	0	0	0	0	0	0	0	0
4				0	0	0		0	0	0	0	0	0	0	0	0	0	0
5				0	0	0		0	0	0	0	0	0	0	0	0	0	0
6				0	0	0		0	0	0	0	0	0	0	0	0	0	0
7				0	0	0		0	0	0	0	0	0	0	0	0	0	0
8																		
9																		
10																		
11																		
12																		
13																		
14																		
15																		
16																		
17																		
18																		
19																		
20																		
		Grand Total:		\$787,224	\$0	\$47,940		\$4,112	\$839,276	\$232,229	\$7,425	\$0	\$12,171	\$2,670	\$28,659	\$3,079	\$286,233	\$1,125,509

* Night Differential / Hazardous / Worker's Compensation / etc.
I/ FY 2017 Gov/Guam contribution for Life Insurance is \$178 per annum

Government of Guam
Fiscal Year 2017
Agency Staffing Pattern
(CURRENT)

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

No.	Position Number	Title I/	Name of Incumbent	Grade / Step	Salary	Overtime	Special*	Date	Increment	Amt.	(J) (E+F+G+H+I) Subtotal	(K) Retirement (J * 27.67%)	(L) Retire (DDI) (\$19.01*26PP)	(M) Social Security (6.2% * J)	(N) Medicare (1.45% * J)	(O) Life Z/	Input by Department		(R) Total Benefits (K thru Q)	(S) (J + R) TOTAL
																	(P) Medical (Premium)	(Q) Dental (Premium)		
1		Public Auditor	Doris Flores Brooks	PA-01	\$100,000	\$0	\$15,000	-		\$0	\$115,000	\$31,821	\$495	\$0	\$1,668	\$178	\$2,093	\$404	\$37,547	\$152,547
2		Administrative Officer	Marisol M. Andrade	R-05	39,350	0	0	9/14/2017		124	39,474	10,922	495	0	572	178	3,773	229	16,179	55,653
3		Special Assistant	Rodilyn May A. Gerardo	R-07	82,029	0	12,304	1/5/2017		1,952	96,285	26,642	495	0	1,396	178	1,321	224	30,256	126,541
4		Auditor III	Jerrick J.L.G. Hernandez	N-04	50,328	0	0	2/6/2018		0	50,328	13,926	495	0	730	178	1,321	224	16,874	67,202
5		Deputy Public Auditor	Yuhari B. Hechanova	N-04	87,173	0	13,076	10/20/2017		0	100,249	27,739	495	0	1,454	178	1,806	239	31,911	132,160
6		Auditor III	Charita Minc G. Roque	N-04	50,328	0	0	2/6/2018		0	50,328	13,926	495	0	730	178	2,473	224	18,026	68,354
7		Auditor III	Maria Thyra D. Pagan	N-04	50,328	0	0	2/6/2018		0	50,328	13,926	495	0	730	178	6,235	404	21,063	72,396
8		Auditor I	Maria Thyra D. Pagan	R-02	35,196	0	0	5/26/2017		556	35,752	9,893	495	0	518	178	0	0	11,084	46,836
9		Auditor I	Christian S. Rivera	R-02	35,196	0	0	5/26/2017		556	35,752	9,893	495	0	518	178	1,321	224	12,629	48,381
10		Auditor I	Americo V. Legaspi	R-02	35,196	0	0	6/08/2017		445	35,641	9,862	495	0	517	178	2,145	224	13,197	48,838
11		Auditor III	Vacant	N-01	0	0	0	-		0	0	0	0	0	0	0	0	0	0	0
12		Auditor II	Felby M. Dalsay	M-01	40,762	0	0	2/6/2018		0	40,762	11,279	495	0	591	178	1,321	224	14,088	54,850
13		Auditor II	Vacant	M-01	0	0	0	-		0	0	0	0	0	0	0	0	0	0	0
14		Auditor II	Vacant	M-01	0	0	0	-		0	0	0	0	0	0	0	0	0	0	0
15		Executive Secretary	Llewelyn R. Terhaje	Q-07	75,602	0	7,560	12/1/2017		0	83,162	23,011	495	0	1,206	178	1,321	224	26,435	109,597
16		Auditor I	Ira Marie Palero (LTA)	R-01	33,911	0	0	-		0	33,911	9,383	495	0	492	178	1,321	224	12,093	46,004
17		Auditor II	Vacant	M-01	0	0	0	-		0	0	0	0	0	0	0	0	0	0	0
18		Auditor I	Vacant	R-01	0	0	0	-		0	0	0	0	0	0	0	0	0	0	0
19		Auditor I	Michelle S. Briffante	K-04	37,914	0	0	6/17/2017		479	38,393	10,623	495	0	557	178	1,321	224	13,398	51,791
20		Management Analyst I	Frederick D. Jones (LTA)	K-01	33,911	0	0	-		0	33,911	9,383	495	0	492	178	0	0	10,548	44,459
21		Auditor I	Vacant	R-01	0	0	0	-		0	0	0	0	0	0	0	0	0	0	0
22																				
23																				
24																				
25																				
Grand Total:											\$4,112	\$839,276	\$7,425	\$0	\$12,171	\$2,670	\$28,659	\$3,079	\$286,233	\$1,125,509

* Night Differential / Hazardous / Worker's Compensation / etc.
 1/ Indicate "(LTA)" or "(Temp.)" next to Position Title (where applicable)
 2/ FY 2017 GovGuam contribution for Basic Life Insurance is \$7.17 per pay period or \$186.42 per annum, pursuant to DOA Organizational Circular No. 2017-05 dated 10/18/16

**Government of Guam
Fiscal Year 2017
Agency Staffing Pattern
(CURRENT)**

		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 Flores Brooks	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2	Administrative Officer	Marisol M. Andrade	0	0	0	0	0	0	0	0	0	0
3	Special Assistant	Rodalyn May A. Gerardo	0	0	0	0	0	0	0	0	0	0
4	Auditor III	Jerrick J.J.G. Hernandez	0	0	0	0	0	0	0	0	0	0
5	Deputy Public Auditor	Yukari B. Hechanova	0	0	0	0	0	0	0	0	0	0
6	Auditor III	Clariza Mae G. Roque	0	0	0	0	0	0	0	0	0	0
7	Auditor III	Maria Thyrsa D. Bagana	0	0	0	0	0	0	0	0	0	0
8	Auditor I	Andriana U. Quitogua	0	0	0	0	0	0	0	0	0	0
9	Auditor I	Christian S. Rivera	0	0	0	0	0	0	0	0	0	0
10	Auditor I	Amacris V. Legaspi	0	0	0	0	0	0	0	0	0	0
11	Auditor III	Vacant	0	0	0	0	0	0	0	0	0	0
12	Auditor II	Edlyn M. Dallsay	0	0	0	0	0	0	0	0	0	0
13	Auditor II	Vacant	0	0	0	0	0	0	0	0	0	0
14	Auditor II	Vacant	0	0	0	0	0	0	0	0	0	0
15	Executive Secretary	Llewelyn R. Terlaje	0	0	0	0	0	0	0	0	0	0
16	Auditor I	Ira Marie Palero (LTA)	0	0	0	0	0	0	0	0	0	0
17	Auditor II	Vacant	0	0	0	0	0	0	0	0	0	0
18	Auditor I	Vacant	0	0	0	0	0	0	0	0	0	0
19	Auditor I	Michele S. Brillante	0	0	0	0	0	0	0	0	0	0
20	Management Analyst I	Frederick D. Jones (LTA)	0	0	0	0	0	0	0	0	0	0
21	Auditor I	Vacant	0	0	0	0	0	0	0	0	0	0
22	0	0	0	0	0	0	0	0	0	0	0	0
23	0	0	0	0	0	0	0	0	0	0	0	0
24	0	0	0	0	0	0	0	0	0	0	0	0
25	0	0	0	0	0	0	0	0	0	0	0	0
		Grand Total:	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

- 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 1/2 of reg. rate of pay from 12am Friday to 12 midnight Sunday
- 5/ 1 1/2 of reg. rate of pay on daily work exceeding 8 hours
- 6/ Applicable only to GFD ambulatory service personnel. 15% of reg. rate of pay

Bureau of Budget Management Research
 Prior Year Obligations (FY 2017 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, 2017.

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 2018 – 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:

- Undergo an independent assessment through 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 90 to 120 days of filing.
 - Render decisions within 30 to 60 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 2014-2014 commits to significantly improving timeliness and quality of financial audits.
 - On Guam, 10 agencies out of 23 issued their FY 2015 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.



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.

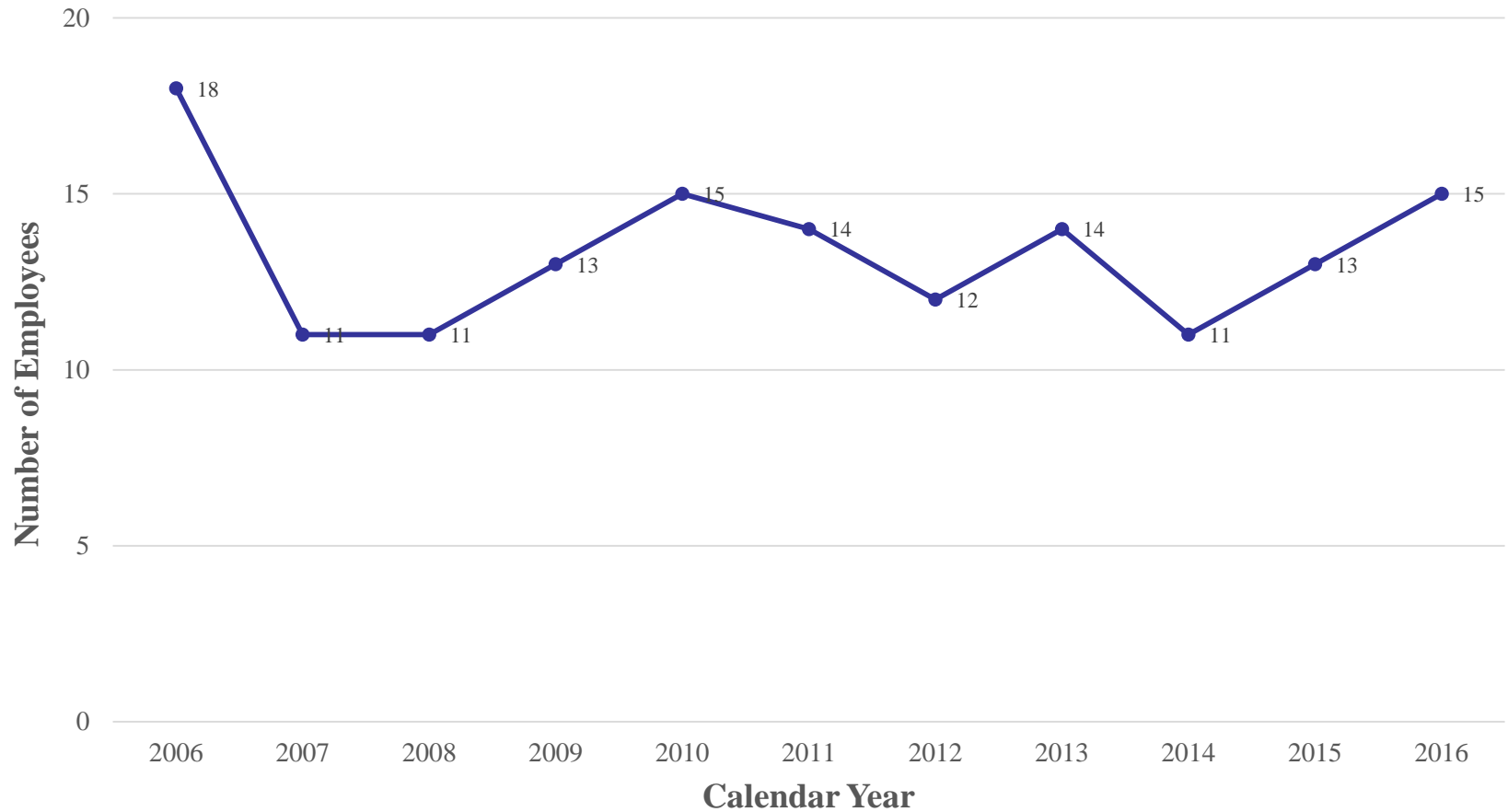


Staffing Levels

- As of February 2017, OPA's staff consists of:
 - The Public Auditor with 16+ years of OPA service
 - 3 supervisors averaging 12+ years of OPA service
 - 1 Administrative Officer with 1+ years of OPA service
 - 10 staff auditors averaging 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 2017, OPA's total staffing is 15, the highest since 2010.
- Since July 2016, we hired 3 auditors, through DOA, as Limited Term Appointments, a more efficient, but not permanent hiring process.



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 12 professional staff to jobs offering \$4,000 - \$21,000 more for annual salaries and better opportunities for professional career growth.



Public Law 33-226

- OPA is grateful to the Legislature for the recent 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 anticipate hiring additional auditors in FY 2018 to bring us closer to our 2006 staffing levels.
- We have engaged Leading Edge to serve 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 Manager.



New OPA Auditor Positions

- We are addressing 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

- The median salary for the all OPA auditors (excluding the Public Auditor) as of February 2017 is \$37,914. This is \$29K, or 44%, less than the \$67,190 U.S. median¹.
- The average salary for OPA staff auditors is \$38,029, and ranged from \$33,911 to \$45,574.
- 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-wage



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 will be more appropriately known as “Accountability Auditors”.
- Other GovGuam auditors mainly conduct limited-scope internal audits within their respective organizations.



New OPA Auditor Positions

- As of March 2017, we are awaiting DOA's comments on the other positions to finalize.

Timeline:

- Mar. 8, 2016: OPA submitted petition for new OPA positions to DOA.
- Apr. 26, 2016: Status meeting with DOA.
- Jul. 8, 2016: Status meeting with DOA.
- Sept. 29, 2016: Status meeting with DOA.
- Nov. 17, 2016: Status meeting with DOA.
DOA submits comments and edits for Accountability Auditor Intern, I, II, & III.
- Jan. 11, 2017: OPA submits further revisions for Accountability Auditor Intern, I, II, & III.
- Feb. 7, 2017: OPA submits proposed Organization Chart to DOA as requested.
- Feb. 13, 2017: Status meeting with DOA.



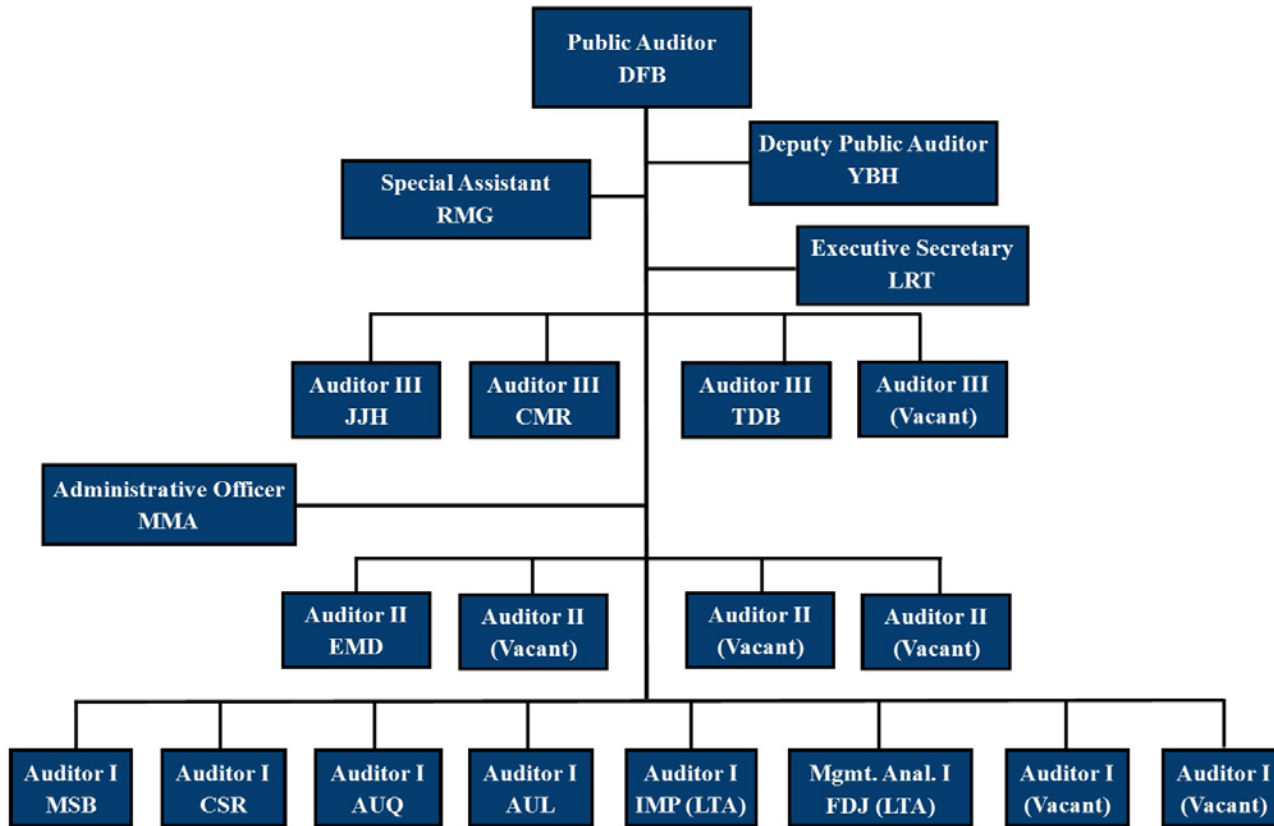
Public Auditor's Salary

- The Public Auditor's statutorily-set salary of \$100,000 has not been adjusted since 2006.
- The Public Auditor's salary in the Competitive Wage Act of \$110,000 did not consider the additional responsibilities to adjudicate procurement appeals.
- The Public Auditor was the only elected official not authorized a pay adjustment by P.L. 32-208 in November 2014.
- The Public Auditor requests parity with the Attorney General's salary, consistent with the Superior Court Judge, as outlined in the OPA Compensation Study.



Organizational Chart

as of February 2017





Staff Certifications

- As of February 2017:
 - All 15 OPA staff hold Bachelor degrees.
 - 5 out of 15 OPA staff are certified professionals or hold advanced degrees (some staff hold 2 or more certifications):
 - 3 Certified Public Accountants (CPA)
 - 2 Certified Internal Auditors (CIA)
 - 4 Certified Government Financial Managers (CGFM)
 - 4 Certified Government Auditing Professionals (CGAP)
 - 2 Chartered Global Management Accountants (CGMA)
 - 1 Certified Internal Control Auditor (CICA)
 - 1 Masters in Business Administration



Staff Certifications

- 4 OPA staff are actively pursuing certification:
 - 1 CGFM candidate pending passage of 1 part of CGFM exam
 - 1 CPA candidate pending passage of 1 part of CPA exam
 - 2 CPA candidates pending passage of 3 parts of CPA exam
 - 1 MBA candidate expecting degree in February 2018
- 1 Certified Fraud Examiner candidate awaiting certificate in May 2017
- As a result of Public Law 33-18 effective October 2015, 4 OPA staff are receiving the certification pay differential.



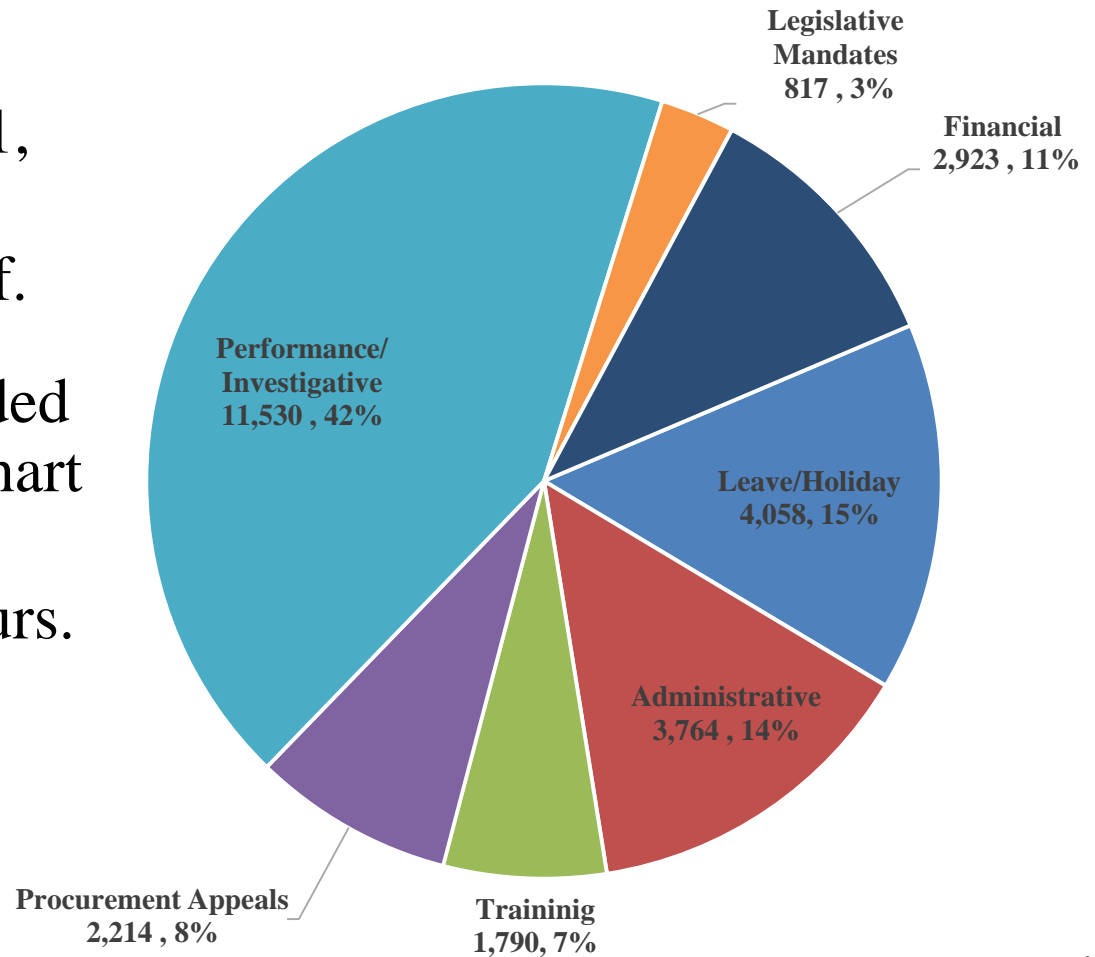
2016 – Year in Review

- Slowly overcoming staffing challenges, OPA continued its commitment and dedication to “**Auditing for Good Governance**” by:
 - Issuing 11 performance audits that collectively identified over \$20.4 million (M) in questioned costs and other financial impacts;
 - Making 25 recommendations to GovGuam entities to improve accountability, effectiveness, and efficiency;
 - Administering 15 procurement appeals; and
 - Issuing, monitoring, and overseeing 23 financial audits (the government-wide audit and component units).



2016 Staff Hours Distribution

- As of December 31, 2016, OPA had 14 full-time audit staff.
- Total hours expended was 27,096. The chart illustrates the composition of hours.





6-Year Performance and Staff Hours Distribution

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



6-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 because the Administrative Officer position is vacant.



Audits Completed in 2016

- OPA released 11 performance audits in 2016, the most since 2011, because more staff hours were available for performance audits due to:
 - We hired 3 auditors, despite one staff resigning in 2016 for higher pay at Army Audit Office. One of the 3 new auditors had significant audit experience.
 - We have been able to retain 3 junior auditors who are approaching their 2 year mark.
 - 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 2016

1.	Guam Legislature Capitol District Fund (Audit Request)
2.	Guam's Readiness for the 12 th Festival of Pacific Arts FESTPAC (Audit Plan)
3.	Office of the Attorney General Child Support Enforcement Program (Follow-Up Audit)
4.	Government of Guam Retirement Fund Effect of Non-Base Pay on Retirement Annuity (Audit Plan)
5.	Offices of the Governor and Lt. Governor Employees' Pay Adjustments (Audit Request)
6.	Department of Revenue and Taxation Government of Guam Limited Gaming Tax and Guam Memorial Hospital Authority Trust Fund Fees (Audit Request)



Audits Completed in 2016

7.	Guam Veterans Affairs Office Non-Appropriated Funds Follow-Up (Audit Request)
8.	Government of Guam's Effectiveness in Addressing Individuals with Multiple Social Security Numbers (Audit Request)
9.	Chamorro Land Trust Commission Municipal Golf Course Lease Agreements (Audit Request)
10.	Office of Public Accountability's Status of Audit Recommendations (Audit Plan)
11.	Department of Administration Returned Checks Audit (Follow-Up Audit)



Audits Completed in 2016

16-01: Guam Legislature Capitol District Fund

- This audit was requested by the Governor of Guam.
- The Capitol District Fund's receipts and disbursements from August 2008 through December 2015 were made in accordance with law.
- Internal control matters identified at the beginning of the audit have been addressed.
- Fund receipts included \$1.5M in lease payments from the U.S. Postal Service for the Hagatna Post Office, and \$762K in General Fund reimbursements for the annual leave lump sum pay outs for the 31st and 32nd Guam Legislature.
- Fund disbursements included \$161K for the incremental share of construction costs for the Guam Legislature Building; \$30K for the Hagatna Post Office lease agreement broker's fee; and \$3K for the Guam Legislature Building construction loan interest payments.
- No recommendations were made.



Audits Completed in 2016

16-02: Guam's Readiness for the 12th Festival of Pacific Arts (FESTPAC)

- Conducted as part of OPA's Audit Plan.
- We estimated a \$1.1M shortfall for projected expenses if the FESTPAC Coordinating Committee did not obtain additional funding.
- Violation of 5 GCA §5150 and questioned costs of \$2.2M for not obtaining the Attorney General's (AG) review for the Pacific festival huts procurement.
- Logistical goods and services initially to be covered by the event management services contract did not comply within the contract's \$800K cap.
- Stronger internal controls were needed.
- OPA recommended that the Committee (1) revisit its finances, (2) obtain the AG review for the Pacific festival huts procurement, and (3) ensure adequate controls were in place.



Audits Completed in 2016

16-03: Office of the Attorney General Child Support Enforcement Program Follow-Up

- This was a follow-up from prior audits issued in 2003 and 2006.
- Significant improvements have been made in reconciling the balances of the child support bank account, the Department of Administration (DOA), and the Child Support Enforcement Division (CSED).
- No substantial decreases in undistributed child support payments of over \$5M within the last five years (>60% are uncashed & stale-dated) because Guam law does not specify how to revert long outstanding payments to GovGuam.
- The Absent Parent Automated System Information's (APASI) system needs updating. Its outdated technology requires CSED staff to perform additional work to help ensure child support transactions are received and distributed timely to custodial parents.
- No recommendations were made, because CSED already began efforts to review undistributed support payments and upgrade its APASI.



Audits Completed in 2016

16-04: Government of Guam Retirement Fund Effect of Non-Base Pay on Retirement Annuity

- Conducted as part of OPA's Audit Plan.
- From FY 2011 to FY 2015, GovGuam spent \$41.1M on Defined Benefit (DB) members' non-base pay (e.g., overtime, hazardous pay, night differential, and holiday pay).
- Including non-base pay in the calculation of retirement annuity is a benefit afforded only to certain DB members who elected it.
- We found that the annuities of eight DB members tested increased collectively by \$242K (an average of 55% or \$30K) due to the inclusion of non-base pay.
- A Guam Memorial Hospital Authority (GMHA) retiree's annuity was understated by \$3,410 for the total retirement period.
- OPA recommended that (1) the Board reevaluate the benefit of including non-base pay in the calculation of retirement annuities; (2) GGRF find ways to simplify documentation efficiency and effectiveness; and (3) GGRF adjust a retiree's understated annuity and pay the amount owed.



Audits Completed in 2016

16-05: Offices of the Governor & Lt. Governor's Employees' Pay Adjustments

- This audit was requested by the Vice Speaker of the 33rd Guam Legislature.
- AG determined that December 2014 pay adjustments, totaling \$743K, paid to 106 employees were illegal.
- Additional pay adjustments, totaling \$51K, were paid to five employees.
- A new DOA directive in December 2015 to process “One Time Single Pay Period Salary Adjustments”, totaling \$409K, were paid to 68 employees.
- Six employees received overpayments totaling \$12K.
- OPA made three recommendations, one of which was to establish and implement control measures to prevent errors in processing pay adjustments.



Audits Completed in 2016

16-06: Department of Revenue & Taxation Government of Guam Limited Gaming Tax & Guam Memorial Hospital Authority Trust Fund Fees

- This audit was requested by a Senator of the 33rd Guam Legislature.
- Variances of \$572K in Limited Gaming Tax (LGT) and \$2.3M in GMHA Trust Fund Fees between the Department of Revenue & Taxation (DRT) and DOA's reported balances.
- DRT did not assess \$189K in penalties for 34 gaming entities' failure to file.
- Liberty, Symbolix, and Match Play gaming entities did not consistently file and pay **both** gaming taxes. Six Liberty and Symbolix gaming entities did not pay \$17K LGT during FY 2014 – FY 2015.
- Cockfighting LGT transactions, amounting to \$32K, were reported to DRT tax forms during unlicensed periods.
- Gambling winnings were not consistently reported and DRT has not assessed failure to file penalties.
- OPA made several recommendations to address reconciliation, monitoring, compliance, and explore electronic filing options.



Audits Completed in 2016

16-07: Guam Veterans Affairs Office Non-Appropriated Funds Follow-Up

- This is a follow-up audit initiated in response to the concerns of a Senator from the 33rd Guam Legislature, over the 2012 audit's recommendations.
- Gross mismanagement of funds led to questionable costs of \$8K for incomplete/missing records/documents, and \$282K for a lack of proper review and approval for purchases and disbursements, to include
 - Petty cash used to circumvent procurement rules
 - Procurement rules not followed
- Administrator 2 changed the Non-Appropriated Funds's (NAF) bank signatories to himself as a single signatory; mandated reports not submitted; and official website not updated.
- OPA made six recommendations to include (1) relinquishing NAF bank accounts and record-keeping to the Department of Military Affairs or DOA; (2) immediate reconciliation and submission of reimbursement claims to the U.S. Department of Veterans Affairs for veteran burials; and (3) submission and posting of mandated reports, in accordance with law.



Audits Completed in 2016

16-08: Government of Guam's Effectiveness in Addressing Individuals with Multiple Social Security Numbers

- This audit was requested by a Senator of the 33rd Guam Legislature.
- DRT, Department of Public Health & Social Services (DPHSS) and the Guam Housing & Urban Renewal Authority (GHURA) have not conducted risk assessments for the potential misuse of multiple SSNs.
 - DRT, DPHSS, and GHURA were unaware that the Social Security Administration (SSA) can/has legitimately issued more than one SSN to an individual.
 - Although criminal justice system representatives encountered individuals with multiple SSNs, aliases, and dates of birth, this information is not shared outside of law enforcement entities, citing (1) Privacy Act, (2) no requirement to track/report this information, and (3) limitations to system-generated data.
- To assist in eligibility determinations and reduce improper claims of EITC and welfare benefits, OPA recommended that DRT, DPHSS, and GHURA officials meet with SSA, law enforcement agencies, and Crime Stoppers.
- OPA also recommended that DPHSS practice due diligence to ensure no household members are fleeing felons or convicted of a drug felony.



Audits Completed in 2016

16-09: Chamorro Land Trust Commission Municipal Golf Course Lease Agreements

- This audit was requested by a Senator of the 33rd Guam Legislature.
- Company A did not comply with initial 1989 lease agreement when (1) it assigned its interest to Company B and Company C without the Legislature and Governor's approvals; and (2) Company B was delinquent in payments of rent and property taxes and did not submit required annual financial and performance reports.
- The 2014 lease agreement with Company B did not include the required authorizations of the Legislature, Governor, Lt. Governor, and AG; nor property appraisals. The Commission missed the opportunity to raise its rental revenue by a total of \$11.8M for the next 25 years.
- OPA recommended that the Commission require and obtain annual independent financial audits of Company B, at Company B's expense.
- The Commission disagreed with the audit findings.
- Subsequently, the AG issued an opinion that the lease renewal was valid.



Audits Completed in 2016

16-10: Office of Public Accountability's Status of Audit Recommendations

- This is OPA's 4th report on the status of audit recommendations.
- Between 2012-2015, OPA issued 30 audit reports containing a cumulative of 64 recommendations, of which 20 were still open.
- The 30 reports collectively identified financial impacts of \$78.8M, of which \$20.7M were unrealized revenues, \$6.0M were questioned costs, and \$52.1M were other financial impacts.
- Noncompliance issues, inadequate monitoring, and financial impacts will continue to present itself until government managers realize the importance and benefits of effective internal controls.
- OPA continues to send periodic reminders and follow-up letters to GovGuam entities to implement open recommendations.
- OPA has yet to exercise its authority to file actions in the Superior Court of Guam to enforce implementation of its recommendations.



Audits Completed in 2016

16-11: Department of Administration Returned Checks Follow-Up Audit

- This was a follow-up from prior audits issued in 2004 and 2006.
- Amount of outstanding DRT returned checks was unknown due to the lack of a master listing and missing physical checks or supporting documents.
- With minimal to no follow-up on returned checks, DRT had \$745K in uncollected revenues, while DOA had \$1.3M.
- Other financial impact of \$71K resulted from unreconciled accounts and misstated amounts, while unrealized revenues resulted from \$189K in unidentified transactions and \$2K in bad checks past overdue.
- DOA, DRT, and CSED's State Disbursement Unit (SDU) did not maximize remedies to collect on returned checks, and the Treasurer of Guam did not maintain a bad checks list.
- OPA recommended that (1) DRT management monitor and oversee its returned checks process; (2) DOA and SDU reconcile accounts on a monthly basis; and (3) DOA, DRT, and SDU maximize available legal remedies.



Summary of Audit Focus

- Of the 11 reports issued in 2016,
 - Six were requested by elected officials
- 16-01: Guam Legislature Capitol District Fund
- 16-05: Offices of the Governor and Lt. Governor's Employees' Pay Adjustments
- 16-06: Department of Revenue and Taxation Government of Guam Limited Gaming Tax and Guam Memorial Hospital Authority Trust Fund Fees
- 16-07: Guam Veterans Affairs Office Non-Appropriated Funds Follow-Up
- 16-08: Government of Guam's Effectiveness in Addressing Individuals with Multiple Social Security Numbers
- 16-09: Chamorro Land Trust Commission Municipal Golf Course Lease Agreements



Summary of Audit Focus

– Three were initiated by the OPA Annual Audit Plan

16-02: Guam's Readiness for the 12th Festival of Pacific Arts (FESTPAC)

16-04: Government of Guam Retirement Fund Effect of Non-Base Pay on Retirement Annuity

16-10: Office of Public Accountability's Status of Audit Recommendations

– Two were follow-up audits

16-03: Office of the Attorney General
Child Support Enforcement Program Follow-Up

16-11: Department of Administration
Returned Checks Follow-Up Audit



Summary of Audit Focus

- The OPA 2016 Annual Audit Plan included audits that potentially
 - Reduce revenue leakage
 - Enhance 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 2016, OPA released 162 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 2016, OPA issued an average of nearly 8 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.
- In 2016, we issued 11 performance audits, practically meeting prior levels.



Productivity

- Factors that affect OPA productivity include:
 - The inability to offer competitive salaries leads to retention issues, although staff turnover levels improved 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
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	\$354K
Totals	162	671	\$242.6M



OPA-Identified Financial Impacts

- In 2016, OPA issued 11 reports, made 25 recommendations, and identified a cumulative of \$20.4M in financial impacts to our government.
- Financial impacts are the questioned costs, waste and abuse, lost revenue opportunities, dormant bank accounts, unreported amounts, and unreconciled accounts identified by OPA audits.



2016 OPA-Identified Financial Impacts

Report No.	Report Title	Questioned Costs	Lost/ Unrealized Revenues	Potential Savings	Other Financial Impact	Total	# of Recommendations
16-01	Guam Legislature Capitol District Fund	\$-	\$-	\$-	\$-	\$-	0
16-02	Guam's Readiness for the 12th Festival of Pacific Arts (FESTPAC)	\$2,194,995	\$-	\$-	\$-	\$2,194,995	3
16-03	Office of the Attorney General Child Support Enforcement Program Follow-Up	\$-	\$-	\$-	\$-	\$-	0
16-04	Government of Guam Retirement Fund Effect of Non-Base Pay on Retirement Annuity	\$-	\$-	\$-	\$244,979	\$244,979	3
16-05	Offices of the Governor and Lt. Governor's Employees' Pay Adjustments	\$805,824	\$-	\$-	\$-	\$805,824	3
16-06	Department of Revenue and Taxation Government of Guam Limited Gaming Tax and Guam Memorial Hospital Authority Trust Fund Fees	\$-	\$206,114	\$-	\$2,910,277	\$3,116,391	2



2016 OPA-Identified Financial Impacts

Report No.	Report Title	Questioned Costs	Lost/ Unrealized Revenues	Potential Savings	Other Financial Impact	Total	# of Recommendations
16-07	Guam Veterans Affairs Office Non-Appropriated Funds Follow-Up	\$290,000	\$-	\$-	\$-	\$290,000	6
16-08	Government of Guam's Effectiveness in Addressing Individuals with Multiple Social Security Numbers	\$-	\$-	\$-	\$-	\$-	4
16-09	Chamorro Land Trust Commission Municipal Golf Course Lease Agreements	\$-	\$11,815,766	\$-	\$-	\$11,815,766	1
16-10	Office of Public Accountability's Status of Audit Recommendations	\$-	\$-	\$-	\$-	\$-	0
16-11	Department of Administration Returned Checks Follow-Up Audit	\$-	\$1,865,499	\$-	\$70,978	\$1,936,477	3
Totals		\$3,290,819	\$13,887,379	\$-	\$3,226,234	\$20,404,432	25



Audits in Progress

(Continued/Started in 2017)

1. Office of Public Accountability's Status of Legislative Mandates (*Issued January 2017 – OPA Report No. 17-01*)
2. Analysis of Government of Guam Leases (*Issued January 2017 – OPA Report No. 17-02*)
3. DPW Inventory Management and Control
4. Guam Professional Engineers, Architects and Land Surveyors (PEALS) Board Non-Appropriated Funds
5. Gross Receipts Tax Exemptions
6. GSA Procurement Compliance (PASAI Cooperative Audit)
7. DRT Tobacco Tax & Alcoholic Beverage Tax
8. DPW Road Maintenance Audit
9. 12th Festival of Pacific Arts (FESTPAC) – Part II



2017 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.



2017 Audit Plan

- The audit topics are scored to determine priority ranking and deliberated before including them on the annual audit plan.
- Only few respond to our requests for audit topics addressed to agency heads and public officials.
- Based on an audit staff of 13 (3 Audit Supervisors, 3 Auditor II's, and 7 Auditor I's), we anticipate completing at least 5 new audits in 2017 in addition to the 9 on-going audits.
- Our audit plan is flexible for unexpected changes, such as requests from elected officials, current events, and staff availability.



2017 Audit Plan

- The 2017 Audit Plan includes:
 - DOA Health Insurance Benefits
 - GMHA Billing and Collections
 - Public Safety Agencies' Overtime
 - DRT Non-Profit Organizations Gaming Taxes
 - Institutional Frameworks for Fighting Corruption (INTOSAI Development Initiative)



Financial Audits Issued in 2016

- 1 GCA §1909(a) and the Federal Single Audit Act
 - 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 2016

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.



Financial Audits Issued in 2016

- 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 2016:
 - Ten were issued within six months after FY 2015 (GWA, PAG, GVB, GGFR, GIAA, PBS Guam, GHC, GCC, UOG, and TAF).
 - Thirteen were issued within nine months after FY 2015 (GHF, GPA, MCOG NAF, GEDA, GPT, GALC, CLTC, GSWA SWOF, GDOE, DCA, GHURA, GMHA, and the GovGuam General Fund).



Financial Audits Issued in 2016

- Questioned costs for FY 2015 were \$348, a significant decrease from FY 2014 questioned costs of \$271K.
- Only the GovGuam General Fund had questioned costs, which amounted to \$348.
- Ten entities received substantial federal awards, and as such, were subject to an OMB A-133 Single Audit: GWA, PAG, GIAA, GCC, UOG, GPA, GDOE, GHURA, GMHA, and the GovGuam General Fund.



Financial Audits Issued in 2016

Of the ten entities subject to a Single Audit:

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



Financial Audits Issued in 2016

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 2015, **four** entities qualified as low-risk auditees.
 - GCC maintained its low-risk auditee status for 15 years.
 - PAG maintained its low-risk auditee status for 2 years.
 - UOG achieved low-risk auditee status again after losing the designation in FY 2012.
 - GIAA achieved low-risk auditee status.
- These entities are commended for accomplishing this status.



FY 2015 Financial Audits

#	Auditee	Issue Date	Opinion	Internal Control over Financial Reporting			
				No. of Material Weaknesses	No. of Significant Deficiencies	Deficiency in Internal Control	Noncompliance
1	GWA	1/25/16	Unmodified	0	0	0	0
2	PAG	2/3/16	Unmodified	0	0	0	0
3	GVB	3/2/16	Unmodified	0	0	0	0
4	GGRF	3/3/16	Unmodified	0	0	0	0
5	GIAA	3/4/16	Unmodified	0	0	0	0
6	PBS Guam (KGTF)	3/6/16	Unmodified	0	0	0	0
7	GHC	3/8/16	Unmodified	0	0	0	0
8	GCC	3/15/16	Unmodified	0	0	0	0
9	UOG	3/22/16	Unmodified	0	0	0	0
10	TAF	3/31/16	Unmodified	0	0	0	0
11	GHF	4/1/16	Unmodified	0	0	0	1
12	GPA	4/3/16	Unmodified	0	1	0	0
13	MCOG**	4/5/16	Unmodified	0	0	0	2
14	GEDA	4/26/16	Unmodified	0	0	0	0
15	GPT	5/12/16	Unmodified	0	0	0	0
16	GALC	5/19/16	Unmodified	1	0	0	0
17	CLTC	5/23/16	Unmodified	3	0	0	1
18	GSWA (SWOF)	6/7/16	Unmodified	0	0	0	1
19	GDOE	6/9/16	Unmodified	0	0	0	0
20	DCA	6/13/16	Unmodified	0	0	1	0
21	GHURA	6/26/16	Unmodified	0	0	0	0
22	GMHA	6/27/16	Unmodified	0	2	0	0
23	GOVGUAM	6/30/16	Unmodified	1	1	0	0
Totals			23	5	4	1	5



FY 2015 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	1/25/16	Unmodified	0	0	0	\$-	\$3,586,637	No	
2	PAG	2/3/16	Unmodified	0	0	0	\$-	\$66,729,182	Yes	
3	GVB	3/2/16	n/a	n/a	n/a	0	\$-	\$-	n/a	
4	GGRF	3/3/16	n/a	n/a	n/a	0	\$-	\$-	n/a	
5	GIAA	3/4/16	Unmodified	0	0	0	\$-	\$19,268,664	Yes	
6	PBS Guam (KGTF)	3/6/16	n/a	n/a	n/a	0	\$-	\$-	n/a	
7	GHC	3/8/16	n/a	n/a	n/a	0	\$-	\$-	n/a	
8	GCC	3/15/16	Unmodified	0	0	0	\$-	\$16,635,567	Yes	
9	UOG	3/22/16	Unmodified	0	0	0	\$-	\$34,992,971	Yes	
10	TAF	3/31/16	n/a	n/a	n/a	0	\$-	\$-	n/a	
11	GHF	4/1/16	n/a	n/a	n/a	1	\$-	\$-	n/a	
12	GPA	4/3/16	Unmodified	0	1	2	\$-	\$3,091,299	No	
13	MCOG**	4/5/16	n/a	n/a	n/a	2	\$-	\$-	n/a	
14	GEDA	4/26/16	n/a	n/a	n/a	0	\$-	\$-	n/a	
15	GPT	5/12/16	n/a	n/a	n/a	0	\$-	\$-	n/a	
16	GALC	5/19/16	n/a	n/a	n/a	1	\$-	\$-	n/a	
17	CLTC	5/23/16	n/a	n/a	n/a	4	\$-	\$-	n/a	
18	GSWA (SWOF)	6/7/16	n/a	n/a	n/a	1	\$-	\$-	n/a	
19	GDOE	6/9/16	Unmodified	0	2	2	\$-	\$65,523,019	No	
20	DCA	6/13/16	n/a	n/a	n/a	1	\$-	\$-	n/a	
21	GHURA	6/26/16	Modified	1	3	4	\$-	\$43,371,296	No	
22	GMHA	6/27/16	Unmodified	0	0	2	\$-	\$3,420,528	No	
23	GOVGUAM	6/30/16	Modified	3	5	10	\$348.00	\$294,758,573	No	
Subtotals			8	4	11	30	\$348	\$551,377,736	4	
Totals since 2001						1,988	\$64,139,246			



FY 2015 Financial Audits

#	Auditee	Issue Date	Management Letter Comments		Note
			Deficiencies & Other Matters	Information Technology	
1	GWA	1/25/16	0	7	
2	PAG	2/3/16	8	8	
3	GVB	3/2/16	3	0	Not a recipient of federal funds
4	GGRF	3/3/16	0	0	Not a recipient of federal funds
5	GIAA	3/4/16	5	3	
6	PBS Guam (KGTF)	3/6/16	1	0	Not a recipient of federal funds
7	GHC	3/8/16	2	0	Not a recipient of federal funds
8	GCC	3/15/16	0	0	
9	UOG	3/22/16	5	0	
10	TAF	3/31/16	1	0	Not a recipient of federal funds
11	GHF	4/1/16	2	0	Not a recipient of federal funds
12	GPA	4/3/16	5	4	
13	MCOG**	4/5/16	3	0	Not a recipient of federal funds
14	GEDA	4/26/16	3	0	Not a recipient of federal funds
15	GPT	5/12/16	2	0	Not a recipient of federal funds
16	GALC	5/19/16	1	0	Not a recipient of federal funds
17	CLTC	5/23/16	3	0	Not a recipient of federal funds
18	GSWA (SWOF)	6/7/16	2	0	Not a recipient of federal funds
19	GDOE	6/9/16	6	0	
20	DCA	6/13/16	5	0	Not a recipient of federal funds
21	GHURA	6/26/16	10	0	Modified opinion on two of the five identified major programs
22	GMHA	6/27/16	3	6	
23	GOVGUAM	6/30/16	16	0	Modified opinion on four of the 15 identified major programs
Subtotals			86	28	
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, five had no deficiencies in FY 2015, while the remaining 14 municipalities had a cumulative of 11 unique deficiencies.



2016 Financial Audit RFPs

- OPA issued eight Requests for Proposals for independent financial audit services during 2016 in conjunction with UOG, GGRF, DOA, GPT, CLTC, DOA (for TAF & GHF), GEDA, and DCA.
- These resulted in contracts for three fiscal years (FY 2016 to FY 2018) 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 the Single Audit requirements for federal grant recipients. For example, the following should be audited
 - Guam Cancer Trust Fund received \$1.6M in FY 2015
 - Guahan Academy Charter School received \$3.3M in FY 2015
 - iLearn Academy Charter School received \$1.5M in FY 2015



Procurement Appeals

- 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's hearing.
- In 2016, OPA
 - Resolved 2 appeals within 90 to 120 days from the filing date
 - Resolved 6 appeals in less than 90 days from the filing date
 - Issued 8 of 10 decisions within 60 days after the appeal's hearing



Procurement Appeals in 2016

- During 2016, 15 appeals were filed with OPA:
 - 3 each against GSA & GDOE, 2 each against DPW & GVB, 1 each against GCC, GSWA, GWA, GEDA/CLTC, and GPA.
- The subjects and known values of the appeals include:
 - Diesel Fuel & Regular Unleaded Gasoline, \$241 thousand (K)
 - Wireless Network Installation Services, \$431K
 - Korean Tourism Destination Marketing Services, \$660K
 - Lease of Multifunction Devices, \$2 million (M)
 - Third Party Fiduciary Agent, \$2.5M
 - Meals for the Elderly Nutrition Program, \$6.8M
 - Lease Financing for Design, Renovation, Rehabilitation, Construction, & Maintenance of Public Schools, \$100M
 - Salvage Equipment, \$15K



Procurement Appeals in 2016

- OPA addressed these 15 appeals as follows:
 - 10 decisions rendered, of which 8 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;
 - 1 was dismissed because the procurement's funding source was no longer available;
 - 3 were dismissed due to parties' settlements; and
 - 1 is on stay pending the Superior Court's decision on non-recusal.



Procurement Appeals in 2016

Appeal No.	Appellant	Purchasing Agency	Nature of Appeal	Procurement Value*	Status	Action	Days
16-001	Morrigo Equipment LLC	GSWA	Rear Loader Refuse Packer Bodies	\$ 269,280	Decision	Upheld	109
16-002	1-A GuamWEBZ	GCC	Website Services	\$ 69,300	Decision	Upheld in part and Denied in Part	147
16-003	TLK Marketing Co. Ltd.	GVB	Tourism Destination Marketing Representation Services in the Republic of Korea	\$ 660,000	Decision	Denied	164
16-004	Technologies for Tomorrow, Inc.	GDOE	E-Rate Internal Connections - Wireless Local Area Network (WLAN) Installation Services	\$ 430,688	Dismissal	Stipulation Agreement (Funding no longer available)	25
16-005	TLK Marketing Co. Ltd.	GVB	Tourism Destination Marketing Representation Services in the Republic of Korea	See 16-003	Decision	Denied	124

*Procurement Values are estimated amounts per respective purchasing agencies' procurement records.



Procurement Appeals in 2016

Appeal No.	Appellant	Purchasing Agency	Nature of Appeal	Procurement Value*	Status	Action	Days
16-006	Basil Food Industrial Services Corporation	GSA	Nutrition Services for (1) Congregate Meals & (2) Home-Delivered Meals of the Elderly Nutrition Program	\$ 6,838,603	Decision	Denied	142
16-007	Core Tech International Co.	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	152
16-008	Basil Food Industrial Services Corporation	GSA	Emergency Procurement of Nutrition Services for (1) Home Delivered Meals & (2) Congregate Meals of the Elderly Nutrition Program	See 16-006	Decision	Upheld	121
16-009	Purestone, LLC	GEDA / CLTC	Lajuna Point Residential Community, Yigo, Guam	\$ 9,000,000	Stay	Pending Superior Court decision on Non-Recusal	n/a
16-010	Xerox Corporation	GDOE	Lease of Multifunction (Copy, Print, Scan, and Fax) Devices	\$ 2,037,870	Dismissal	Stipulation Agreement	69

*Procurement Values are estimated amounts per respective purchasing agencies' procurement records.



Procurement Appeals in 2016

Appeal No.	Appellant	Purchasing Agency	Nature of Appeal	Procurement Value*	Status	Action	Days
16-011	Core Tech International Co.	DPW	Lease Financing for Design, Renovation, Rehabilitation, Construction, and Maintenance of Public Schools Beginning with Simon Sanchez High School	See 16-007	Decision	Upheld in part and Denied in part	104
16-012	Alvarez & Marsal Public Sector Services, LLC	GDOE	Third Party Fiduciary Agent	\$ 2,546,327	Dismissal	Stipulation Agreement	21
16-013	IP&E Holdings LLC	GWA	Diesel Fuel Oil No.2 and Automotive Gasoline, Regular Unleaded for Transportation Fleet & Heavy Equipment	\$ 241,145	Decision	Upheld in part and Denied in part	63
16-014	ST Corporation	GSA	Janitorial and Hardware Supplies	n/a	Dismissal	Stipulation Agreement	16
16-015	Trans Steel Management	GPA	Miscellaneous Surplus Salvage	\$ 15,100	Decision	Upheld in part and Denied in part	85

*Procurement Values are estimated amounts per respective purchasing agencies' procurement records.



Procurement Appeals

- Since October 2006, 149 appeals were filed.

APPEALS	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	36%	20%
Denied	3	3	6		7	8		4	1	2		34	41%	23%
Upheld and Denied in Part	5	4	2	2		3			1	2		19	23%	13%
Subtotal:	10	10	9	8	8	14	4	5	7	7	1	83	100%	56%
DISMISSALS														
Stipulation Agreement	4	2	1	5	7	4	2	2	1	1		29	45%	19%
Appeal Withdrawn			1		3		1	1		1	1	8	12%	5%
Public Auditor's Recusal		2		1			1	1	3	1		9	14%	6%
No Protest Decision		1			1	2	1	1	1			7	11%	5%
Moved to Superior Court			2				1	1				4	6%	3%
Untimely Notice of Appeal				1		1						2	3%	1%
Cancel/Re-issued Bid								1		1	1	3	5%	2%
Lack of Jurisdiction		2		1								3	5%	2%
Subtotal:	4	7	4	8	11	7	6	7	5	4	2	65	100%	44%
STAY	1											1	1%	1%
TOTAL APPEALS FILED:	15	17	13	16	19	21	10	12	12	11	3	149	100%	100%



Appeals Addressed in 2016

16-001 (Morrico Equipment LLC/GSWA)

- Appeal relative to an Invitation for Bid (IFB) for Rear Loader Refuse Packer Bodies, specifically concerning:
- GSWA violated the Guam Procurement Law when it
 - Rejected Morrico's lower price bid, based on a delivery time specification that unnecessarily restricted competition;
 - Cancelled the 1st IFB and reissued another in the form of a 2nd IFB while a stay of procurement was in effect for the 1st IFB
- Appeal consolidated with procurement appeals 15-014 & 15-017
- The Superior Court agreed with OPA in December 2016
- In January 2017, District Court of Guam Chief Judge ordered Receiver can purchase cab forward trucks despite OPA's decision and that conforming to local law may not always be possible.
- Morrico is appealing the order to the 9th Circuit Court of Appeals



Appeals Addressed in 2016

16-002 (1-A GuamWEBZ/GCC)

- Appeal relative to an IFB for Website Services, specifically concerning
 - If the selected bidder was a responsible bidder; and
 - If GCC's website advisory group made errors in their bid evaluations
- The awarded bidder was a responsible bidder
- GCC's evaluation of the bids was unfair, improper, & violated Guam Procurement
- GCC was ordered to terminate its contract with the awarded bidder & compensate said bidder for the actual expenses incurred under the contract, plus a reasonable profit, prior to termination
- Appeal was DENIED in part & UPHELD in part



Appeals Addressed in 2016

16-003 & 16-005 (TLK Marketing Co. Ltd./GVB)

- Appeals relative to a Request for Proposal (RFP) for Tourism Destination Marketing Representation Services in the Republic of Korea
- GVB Board authorized the General Manager (GM) to negotiate and contract with the highest rated and most qualified offeror
- No evidence of collusion on the part of GVB to deprive TLK's ability to protest
- GVB's determination that the awarded offeror met the evaluation criteria was not in error
- The awarded offeror was not required to disclose its involvement with GVB's former General Manager
- Appeals were DENIED
- TLK appealed OPA's decision to the Superior Court.



Appeals Addressed in 2016

16-004 (Technologies for Tomorrow, Inc./GDOE)

- Appeal relative to an IFB for Wireless Local Area Network (WLAN) Installation Services
- On May 17, 2016, GDOE informed OPA and the Appellee of a May 26, 2016 deadline on the procurement's funding source
- A Pre-Hearing conference was held on May 31, 2016
- Appeal was DISMISSED due to a stipulation agreement, because the procurement's funding source was no longer available



Appeals Addressed in 2016

16-006 & 16-008 (Basil Food Industrial Services Corporation/GSA)

- Appeals relative to an IFB and request for quotation (RFQ) for congregate and home-delivered meals for the Elderly Nutrition Program
- GSA's termination of Basil's contracts was valid and permissible because of Basil's repeated violations of Guam's Food Code
- Emergency procurement contracts awarded to SH Enterprises, Inc. were invalid, due to GSA's failure to obtain at least three informal price quotations
- GSA voluntarily terminated SH's emergency procurement contracts
- 16-006 appeal was DENIED
- 16-008 appeal was UPHELD
- Basil appealed OPA's decision to the Superior Court



Appeals Addressed in 2016

16-007 & 16-011 (Core Tech International Co./DPW)

- Appeal relative to an RFP of the lease financing for design, renovation, rehabilitation, construction, and maintenance of public schools, beginning with Simon Sanchez High School
- With a value of \$100M, this was the largest procurement issued by DPW. The Government of Guam as a whole infrequently administers a single procurement of this magnitude.
- While GDOE and GEDA assisted with the procurement, it was ultimately DPW's responsibility as the lead agency. However, it became clear that no one agency took responsibility for the handling of this procurement.
- The formal hearing lasted 11 days, which is the longest in OPA procurement appeals history.
- The RFP Negotiation Committee failed to properly evaluate the proposals to determine responsiveness to the RFP's requirements.



Appeals Addressed in 2016

16-007 & 16-011 (Core Tech International Co./DPW)

- The awarded offeror's cost proposals provided during negotiations did not violate RFP considerations
- GEDA's Board of Directors' Chairman must recuse himself from participating in this procurement due to financial interest
- The procurement record was incomplete because it did not contain the communications log and sound recordings of negotiations.
- DPW was left with two options: (1) Cancel the RFP in its entirety or (2) Cancel the award to GEEF, and go back to thoroughly evaluate the proposals to ensure they are responsive and begin negotiations with the Offeror it selects as the most qualified Offeror. If DPW selects option 2, it must ensure the proper recording of negotiations and the \$100M limit must be enforced.
- Appeal was UPHELD in part and DENIED in part



Appeals Addressed in 2016

16-009 (Purestone, LLC/GEDA & CLTC)

- Appeal relative to RFP for Lajuna Point Residential Community, Yigo, Guam, was previously dismissed in appeal 15-016, due to lack of jurisdiction.
 - In appeal 15-016, Purestone did not file a protest with GEDA or CLTC, and as such, no protest decision was issued to Purestone.
- Purestone filed a motion to disqualify the Public Auditor and dismiss the appeal — both of which were denied.
- Purestone filed a Verified Petition for Writ of Mandamus in the Superior Court concerning OPA's denial of Purestone's motion for disqualification and dismissal
- Appeal was STAYED, pending a decision from the Superior Court on Non-Recusal.



Appeals Addressed in 2016

16-010 (Xerox Corporation/GDOE)

- Appeal relative to an IFB to lease multifunction devices (copy, print, scan, and fax)
- A Formal Hearing was held on October 17, 2016. On the same day, Xerox Corporation and GDOE filed a stipulation to dismiss this appeal
- Appeal was DISMISSED, due to stipulation agreement



Appeals Addressed in 2016

16-012 (Alvarez & Marsal Public Sector Services, LLC/GDOE)

- Appeal relative to an RFP for a third-party fiduciary agent
- In September 2016, Alvarez & Marsal and GDOE filed a stipulation to dismiss this appeal
- Appeal was **DISMISSED** due to stipulation agreement



Appeals Addressed in 2016

16-013 (IP&E Holdings LLC/GWA)

- Appeal relative to an IFB to supply diesel fuel oil no. 2 and automotive gasoline, regular unleaded
- For evaluation and award, GWA was required to use the IFB's estimated quantities of gallons of diesel and unleaded gasoline, reflected in the IFB
- Contracts should be awarded to both IP&E and Mobil as they were the lowest responsive bidders for the following products:
 - Contract for diesel should be awarded to IP&E as the lowest responsive bidder
 - Contract for unleaded gasoline should be awarded to Mobil as the lowest responsive bidder
- Appeal was UPHeld in part and DENIED in part



Appeals Addressed in 2016

16-014 (ST Corporation/GSA)

- Appeal relative to an IFB for Janitorial and Hardware Supplies
- In December 7, 2016, ST Corporation and GSA filed a stipulation to dismiss this appeal
- Appeal was DISMISSED due to stipulation agreement



Ongoing 2016 Appeals

16-015 (Trans Steel Management/GPA)

- Appeal relative to an IFB for miscellaneous surplus salvage items
- GPA's award to 4 J's Equipment was improper and void
- Trans Steel's bid was properly rejected by GPA as non-responsive
- GPA's procurement record was incomplete
- GPA to rebid salvage equipment
- Appeal was UPHeld in part and DENIED in part
 - Decision was issued in March 2017



Procurement Appeals Hearing Officers

- Cost savings are realized by contracting attorneys on an as-needed basis versus hiring a full-time attorney.
- The cost of a full-time attorney would be \$118,000 for a salary of \$89,000 plus benefits of \$29,000 (based on the Competitive Wage Act of 2014).

FY	No. of Attorneys	Fees
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

OPA's Hearing Officers are required to be available to handle time-sensitive appeals, considering potential conflicts and time constraints.

They also uphold OPA's goals to:

- (1) Resolve appeals within 90 to 120 days from the time of filing; and
- (2) Issue decisions 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

- Pageview: The instance a page is being loaded (or reloaded) in a browser. (Google Analytics Help, 2017).
 - In 2016, the OPA website averaged 5,916 pageviews per month, compared to 2015's average of 5,236 per month, which is an increase of 13.0%.
- 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. (Google Analytics Help, 2017).
 - In 2016, the OPA website averaged 2,113 visits per month, compared to 2015's average of 1,687 per month, which is an increase of 25.3%.



2016 OPA Website Activity

www.opaguam.org

Months	Visits		Unique Visitors		Page Views	
	2016	2015	2016	2015	2016	2015
January	1,850	1,665	690	678	5,413	5,888
February	1,519	1,622	607	803	4,278	5,149
March	1,911	1,617	677	770	5,860	4,922
April	2,030	1,648	760	759	5,239	5,601
May	1,738	1,499	715	734	4,556	4,671
June	2,567	1,701	820	800	6,754	4,824
July	2,241	1,918	688	937	8,174	5,524
August	2,477	1,847	824	919	7,172	5,080
September	1,912	1,553	715	776	5,397	4,960
October	1,713	1,953	654	908	4,684	6,539
November	2,133	1,420	985	644	5,817	4,203
December	3,266	1,797	2,280	755	7,645	5,468
Totals	25,357	20,240	10,415	9,483	70,989	62,829
Averages	2,113	1,687	868	790	5,916	5,236

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



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 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 2016, we received 42 tips.
 - One was a hotline tip and 41 were citizens' concerns
 - Seventeen were closed and 25 remain open.
 - Of the 25 open, nine were forwarded to their respective entity's internal auditors or external auditors, and eight 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 and to follow-up and coordinate with the AG's Office, if required.
- 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. Despite OPA's limited staff, OPA endeavors to respond to these concerns as quickly as possible.



Hotline Statistics 2001 – 2016

Agencies or Programs	2016	2015	2014	2013	2012	2001 to 2011	Total
Other Agencies and Programs	13	8	9	10	5	296	341
Department of Education	3	1	7	2	3	154	170
Department of Public Works	3	2	0	1	2	74	82
Guam International Airport Authority	0	1	3	0	0	69	73
Mayors Council of Guam	2	1	0	2	2	55	62
Department of Corrections	6	6	1	2	1	41	57
Guam Power Authority	0	1	2	2	2	48	55
Guam Memorial Hospital Authority	1	0	6	0	0	43	50
Guam Waterworks Authority	2	0	2	1	0	43	48
Department of Administration	1	0	2	2	1	33	39
Department of Public Health and Social Services	2	0	1	1	1	28	33
Government of Guam Retirement Fund	0	0	0	0	0	30	30
Guam Fire Department	1	1	1	1	0	26	30
Guam Housing and Urban Renewal Authority	0	0	0	1	1	27	29



Hotline Statistics 2001 – 2016

Agencies or Programs	2016	2015	2014	2013	2012	2001 to 2011	Total
University of Guam	3	0	2	3	0	19	27
Office of the Attorney General	0	0	1	0	0	25	26
Superior Court of Guam	0	0	0	0	0	24	24
Guam Police Department	0	2	2	0	2	18	24
Department of Parks & Recreation	1	1	0	0	0	22	24
Guam Mass Transit Authority	1	2	0	0	1	18	22
Guam Visitors Bureau	2	0	2	0	0	18	22
Port Authority of Guam	0	0	0	3	1	16	20
Office of the Governor	1	1	0	0	0	18	20
Guam Telephone Authority	0	0	0	1	0	17	18
General Services Agency	0	0	0	0	0	16	16
Department of Labor	0	6	1	0	0	9	16
Guam Economic Development Authority	0	2	0	1	1	9	13
Department of Land Management	0	0	1	0	0	9	10
Totals	42	35	43	33	23	1,205	1,381



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.
- OPA email hosting will transition from Google to in-house hosting.
- We started a series of internal assessments of OPA cybersecurity risks.
- 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.



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 one 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 2018, 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 are also exploring TeamMate training opportunities with the DOI Office of Inspector General, who also use TeamMate.



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.



PASAI Trainings & Cooperative Audits

- For the past six 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 two PASAI cooperative audits: Solid Waste Management and Public Debt.
- In 2016, PASAI funded:
 - An OPA Audit Supervisor's attendance to the INTOSAI Development Initiative Global Programme on SAIs Fighting Corruption in Budapest, Hungary. She was the only PASAI member to be part of this group.
 - An Auditor and Audit Supervisor's attendance to the PASAI Regional TeamMate Workshop in Auckland, New Zealand.
 - The Public Auditor's attendance to the PASAI Governing Board Meeting in Auckland, New Zealand.



SAI Performance Measurement Framework

- In January 2016, three OPA staff participated in a workshop on the PASAI and INTOSAI Development Initiative SAI Performance Measurement Framework (PMF) project for North Pacific SAIs.
- 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.



SAI Performance Measurement Framework

- The INTOSAI Development Initiative will independently review all the work of the participants and provide the quality assurance.
- The project will culminate with submission of final performance reports before the end of 2017.
- OPA will be assessed by the Republic of the Marshall Island's Office of the Auditor-General in May 2017.
- OPA will assess the FSM National Office in June 2017.
- OPA has anticipated the SAI PMF project for over a year and looks forward to the results to improve OPA overall.



DOI OIA Training Grant

- In March 2015, OPA received its new \$76,000 internship and training grant from the Department of the Interior's Office of Insular Affairs (DOI OIA) Technical Assistance Division.
- We will apply for another grant shortly in anticipation of using all grant funds before 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 2016, two auditors completed a two-week internship/training program at the DOI OIG office in Lakewood, CO. We will send two more auditors in 2017 to attend this program.



DOI OIA Training Grant

- In 2016, the grant funded other professional development for OPA auditors such as procurement training, leadership training, and government accounting and auditing.
- Government Auditing Standards require auditors to maintain their professional competence through Continuing Professional Education (CPE).
- Auditors are required 80 hours of CPEs in a two year period with a minimum of 20 hours each year. (GAGAS 3.76).
- OPA Auditors averaged 73 CPE hours in 2016, which was largely funded by the DOI OIA Training Grant.



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 will expire on September 30, 2017. An IFB will be issued soon for office space.
- OPA currently leases 5,086 square feet of space for 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 \$2.15 per square foot indicated in OPA Report No. 17-02 Analysis of Government of Guam Leases.



Travel

- Funding for travel is requested to attend training and conferences sponsored by:
 - National Association of State Auditors, Comptrollers, and Treasurers (NASACT)
 - Association of Pacific Island Public Auditors (APIPA)
 - Government Finance Officers Association (GFOA)
 - Association of Certified Fraud Examiners (ACFE)
 - National State Auditors Association (NSAA)
 - Association of Government Accountants (AGA)
 - Institute of Internal Auditors (IIA)
 - Pacific Association of Supreme Audit Institutions (PASAI) Congress (even years)



OPA Appropriation History

- Comparing FY 2011 and FY 2017, OPA's appropriations have only minimally increased by 13.5%, or \$166K.
 - FY 2011 appropriation = \$1,231,160
 - FY 2017 appropriation = \$1,396,898
 - The average incremental budget increase is 1.9% 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 History

- 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 recruitment and retention challenges.
- 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.



OPA Appropriation History

FY 2011 – FY 2017

Fiscal Year	Budget Request	Total Appropriation	Public Law	Adjustment		Final Budget	Lapses	OPA Expenditures
2017	\$ 1,459,230	\$ 1,396,898	33-185	\$ -		\$ 1,396,898		
2016	\$ 1,453,773	\$ 1,389,743	33-066	\$ 222,108	(A)	\$ 1,611,851	\$ -	\$ 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



Personnel Expenditures Higher

- FY 2016 was the first year OPA maintained nearly a full compliment of 15 staff. As a result, personnel expenditures was \$1.031M, compared to the 5-year average of \$828K from FY 2011 through FY 2015.
- As a result, our starting personnel base is significantly higher, hence we were able to utilize more lapses.



FY 2018 Budget Estimate & Request

- In FY 2018, OPA estimates \$1,800,030 is needed to fully fund OPA operations.
 - \$1,415,956: Personnel costs which includes
 - \$110,372: Movement to new OPA Accountability Auditor positions
 - \$157,689: Funding for 3 vacancies
 - \$384,074: Operations
- This is a 12%, or \$188K, 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 2018 Budget Estimate & Request

- OPA's FY 2018 budget request is higher than prior years because it represents funds required for OPA to sustain our current staffing and hire three additional staff without lapsed funds.
- Except in FY 2013 and FY 2014, prior year OPA appropriations authorized lapsed funds to carry over which sustained OPA operations.



FY 2018 Budget Estimate & Request

- OPA respectfully requests authorization to carry over into FY 2018, any balance of unused funds appropriated to OPA in FY 2012 and FY 2013 of approximately \$550k.
- 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 2018 Budget Estimate & Request

- The increase will fund personnel costs to sustain the current 15 OPA staff and hire 3 additional staff and increase productivity.
- We anticipate hiring efficiencies with the enactment of P.L. 33-226 and are requesting funding for 3 auditor position vacancies.
- Hiring additional auditors in FY 2018 will bring us closer to our 2006 staffing level of 18.



FY 2018 Budget Estimate & Request

- We anticipate additional costs of \$110K when the new Accountability Auditor positions are finalized with DOA.
 - The proposed positions were transmitted to DOA in March 2016.
 - OPA has been periodically discussing with DOA the progress of creating the new Accountability Auditor positions per 4 GCA § 6303.



FY 2018 Budget Estimate & Request

New OPA Accountability Auditor Salary Rates

	FY 2018 Estimates
Salaries	\$ 1,056,066
Benefits	359,890
Subtotal	\$ 1,415,956
Travel	16,000
Contractual	213,255
Rent	133,069
Supplies	6,000
Equipment	8,850
Miscellaneous	3,900
Telephone	3,000
FY 2018 Total Budget Request	\$ 1,800,030



GovGuam Investment in Audits

- GovGuam spent approximately \$2.8M on the audit function or less than one-half cent of every dollar of FY 2015 General Fund revenues of \$647.7M
 - \$1.4M for FY 2016 GovGuam financial audits.
 - \$1.4M for OPA FY 2016 appropriations.
- OPA's appropriations represent a 1,400% return for every dollar appropriated. With \$1.4M FY 2016 budget, OPA
 - Issued 11 audits and analyses identifying \$20.4M in financial impacts
 - Monitored 23 financial audits
 - Administered 15 procurement appeals in 2016



OPA's High Quality of Work

- In 2014, OPA received its fifth consecutive “Full Compliance” peer review rating since 2002, the highest level of compliance given to audit organizations.
- This is the second 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.
- In 2017, OPA is coordinating with APIPA to perform the peer review to ensure compliance with GAS.



New Programs

- INTOSAI Development Initiative PASAI SAI Performance Measurement Framework Assessment
- APIPA Peer Review for 2013 – 2016 audits
- 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
- New OPA positions review and approval
- OPA hiring authority per P.L. 33-226



Prior Year Obligations & Unbudgeted Items

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



FY 2018 Budget Request Summary

We respectfully request that the Legislature:

- Approve OPA's lump sum budget of \$1,800,030 to allow for flexibility.
- Authorize any balance of unused funds appropriated to OPA in FY 2012, FY 2013, and FY 2017 to carry over into FY 2018.
- Continue to give OPA exemption from BBMR allotment control similar to other elected offices and the Judiciary.
- Approve a salary adjustment for the Public Auditor.
- 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.