

GUAM

board of accountancy

A Report to Our Citizens

Fiscal Year 2010

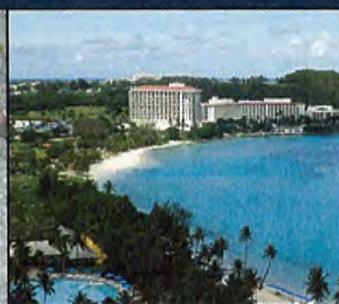


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Management

- Dave Sanford, Executive Director
- Michele Santos, Asst. Executive Director

Board Members

- John E. Onedera, CPA, Chairperson
- Todd S. Smith, CPA, Vice-Chair
- Jennie L. Chiu, CPA, Member
- Francis D.L. Quinto, CPA, Secretary
- Dafne M. Shimizu, CPA, Treasurer
- John Camacho, Ex Officio Member

Demographics

	Count
Male Guam Candidates	527
Female Guam Candidates	307

Degree Type	Candidate Count
Bachelor's Degree	713
Advanced Degree	128

About Us

The Guam Board of Accountancy (GBA) is an agency of the Government of Guam, located in the Pacific Island American Territory of Guam. GBA is a member of the National Association of State Boards of Accountancy (NASBA) and administers the national Certified Public Accountants examination produced by the American Institute of Certified Public Accountants (AICPA). GBA is responsible for maintaining professional standards and practices to safeguard the public interest, through certifying, licensing, and/or regulating all Certified Public Accountants practicing in the Territory of Guam.

Our Purpose and Goals

It is the policy of the Territory of Guam, through the Guam Accountancy Act of 2003, and the purpose of the GBA to promote the reliability of information that is used for guidance in financial transactions or for accounting for, or assessing, the financial status or performance of commercial, noncommercial, and governmental enterprises. GBA establishes entry-level requirements for CPAs, qualifies candidates to take the national CPA Examination, administers the national CPA Examination, issues candidates' grades and ultimately certifies candidates as possessing the requisite professional skills to effectively practice public accounting in the Territory of Guam. GBA further ensures the continued competency of all Guam licensed CPAs through Board oversight and approval of continuing professional education (CPE) sponsors and by requiring all CPA licensees practicing in Guam to meet annual CPE reporting requirements, including professional ethics education, as well as participation in tri-annual Peer Review Programs.

Licensing and the CPA Examination



Exam performance

2010			
Section	Sitting	Avg. Score	% Pass
AUD	569	62.8	25.5%
BEC	841	65.7	34.2%
FAR	603	63.3	33.7%
REG	493	62.6	31.6%

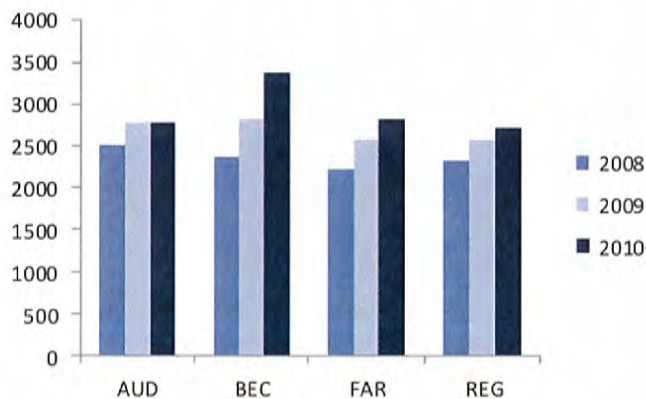
Passing score = 75%

The above examination statistics pertain specifically to Guam candidates only. The same candidate may be counted in more than one section total.

CPA Candidates Origin	2008	2009	2010
Korea	4100	4519	4591
Japan	4183	4802	5590
Other	1145	1413	1489

The above testing event totals include candidates from other jurisdictions sitting in the GCTC.

In 2010, a total of 12,421 exam sections were administered compared to 11,765 in 2009.



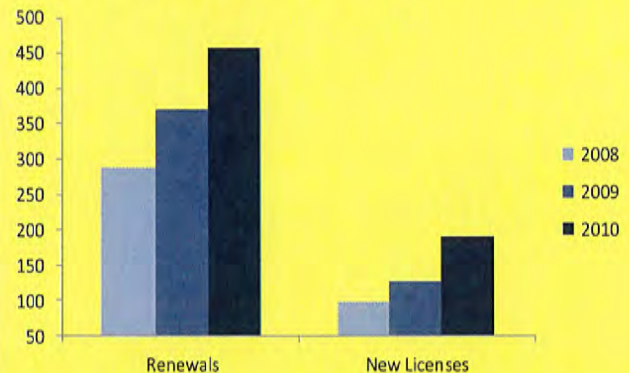
The graph above displays the number of total candidates sitting for the exam from years 2008 to 2010.

Licensing Requirements

As of April 26, 2006, the requirements for a Guam CPA certificate include:

1. A baccalaureate degree, including 24 semester hours of upper division accounting courses and 24 semester hours of upper division business courses
2. Completion of the uniform CPA exam
3. Two years of experience, only one year for applicants with 150 semester hours of education, performing auditing or accounting-related duties acceptable to the Board under the direct supervision of and verified by an actively licensed CPA.

Licenses Summary



In 2010, 191 new individual licenses were issued and 459 were renewed.

Did you know?

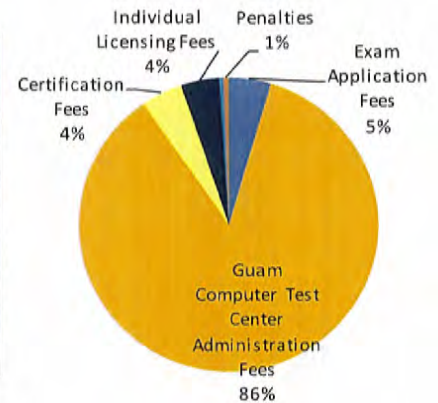
- Paper based CPA exams were given only two times a year (May and November). The very first computer based test was held on April 5, 2004.
- The all time record for total candidates sitting for the CPA exam in Guam (2,095) was set in November 2003.
- Doris Flores Brooks was the first woman and Chamorro CPA in Guam.
- Japan was the first country to have the US CPA exam administered outside the US.

Our Finances



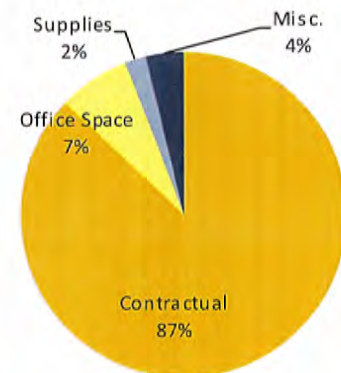
Revenues

	FY2008	FY2009	FY2010
	Actual	Actual	Actual
REVENUES SUMMARY			
Guam Computer Test Center Administration Fees	\$617,550	\$657,750	\$762,150
Exam Application Fees	20,975	28,881	40,776
Certification Fees	22,125	26,600	39,550
Individual Licensing Fees	23,405	27,435	37,050
Penalties/Miscellaneous Fees/Interest	2,179	3,759	4,605
Firm Licensing Fees	2,200	3,550	4,000
TOTAL REVENUES	\$688,434	\$747,975	\$888,131



Expenditures

	FY2008	FY2009	FY2010
	Actual	Actual	Actual
Contractual			
Administrative Services Contract	\$254,862	\$270,021	\$275,038
Others (Publications, Dues, etc.)	29,302	14,200	14,269
Copier Services	3,149	5,262	5,811
Web/Database development	5,516	935	0
Office Space	23,868	23,868	23,868
Supplies	5,025	5,892	6,889
Small Equipment	2,775	2,819	376
Miscellaneous			
Postage	1,114	8,535	10,600
Notices/Compliance Investigations/Others	425	5,173	1,348
Training	3,460	410	580
Bank Charges	0	15	30
TOTAL EXPENDITURES	\$329,496	\$337,130	\$338,809



The Guam Board of Accountancy Fund was established under PL 27-58 to administer and enforce the licensing of and the regulation of the conduct and professional work of Certified Public Accountants on Guam. The Guam Code Annotated Title 22, Subsection 35104 (d) states, "all fees and money collected by the Board under this Chapter shall be accounted for by the Board and deposited in a special fund known as the "Guam Board of Accountancy Fund". All monies in this fund are subject to legislative appropriation for GBA's use in pursuit of its authority and shall be utilized solely for administering the Guam Accountancy Act of 2003, as amended.

2010 Highlights



Outline of Events: Oct 2009 - Sept 2010

- JAN** NASBA Visit - Ken Bishop and Joe Cote
- Introduce International Exam Administration Plan.
- FEB** Reviewed Guam Computer Test Center contract with NASBA's CPAES division
- Original signed July 2003, up for renewal in July 2010.
- APR** Board adopted Educational Requirements Policy due to Maine candidates with minimal education attempting to transfer grades to Guam for licensing.
- JUN** Contract with CPAES extended from August 2010 through July 2015
- increased the Guam surcharge fee from \$100/section to \$110/section, split 50/50 with CPAES.
- JUL** AICPA released new CPA Exam Guide for Candidates.
- SEP** NASBA began new CEO search
AICPA announced IFRS would be included on the 2011 CPA exam.



We want to hear from you! Do you like this report? Do you believe it should include more information? Please contact Michele Santos at 647-0813 ext. 601, or email licensing@guamboa.org. For further information, please visit our website at www.guamboa.org



Mobility

Mobility is the ability of a licensee to gain a practice privilege outside their principle place of business, without additional licensing or fees, and for CPA firms, the ability to reduce the occurrences of obtaining a firm registration or license.

The concept of mobility allows licensed CPAs and CPA firms to more readily practice across state jurisdictions. In January 2010, Individual Mobility adoption issue was discussed when NASBA visited the island.

- CPAmobility.org is an online tool to assist CPAs in navigating practice privilege requirements for working in other states, free of charge.
- A CPA can learn whether his or her existing home state's registration is mobile and if additional notice/paperwork is required to work in the state.

Testing in Japan

The Guam Computer Test Center (GCTC) administered the very first computer-based US CPA Exam in April 2004. Since opening its doors, the GCTC has been the highest volume single testing center in the world, accounting for more than 15,200 paid CPA exam sections and seating over 3,000 Japanese candidates during 2010.