



# Fiscal Year 2021

## *A Report to Our Citizens*

### 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 (CPA) 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 regulating all Certified Public Accountants practicing in the Territory of Guam.

### Our Mission

It is the policy of the Territory of Guam, through the Guam Accountancy Act of 2003, as amended, and the purpose of the GBA to promote the reliability of information 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.



### Selected Demographics for FY2021

	September 30, 2021
Individual CPA Licenses Issued	574
CPA Firm Permits issued	3
Guam CPA Exam Candidates – New and Re-Exam	4,534
Guam Computer Testing Center CPA Exam Sections Given	136
Total Revenues	\$620,378



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### Management

Dave Sanford, Executive Director

### Board Members

John E. Onedera, CPA, Chairperson

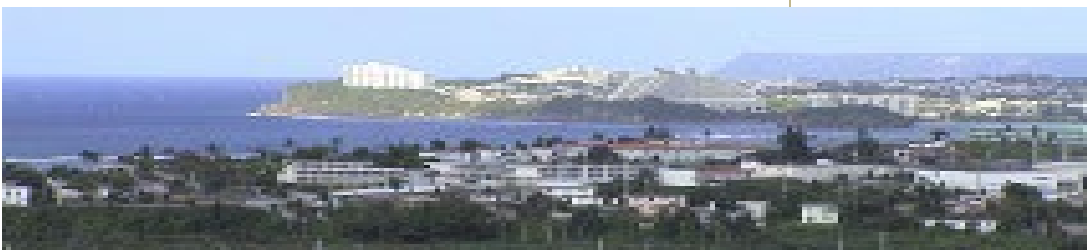
Todd S. Smith, CPA, Vice-Chair

Jennie L. Chiu, CPA, Member

Francis Q. Baba, CPA, Secretary

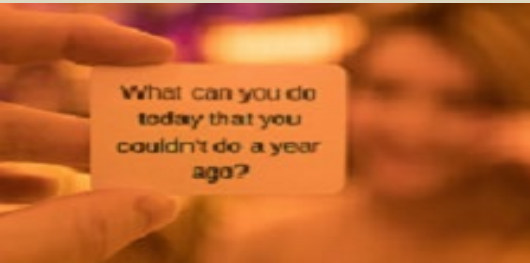
Taling M. Taitano, CPA, Treasurer

Dafne M. Shimizu, CPA, Ex Officio



# How Have We Progressed

## Fiscal Year 2021

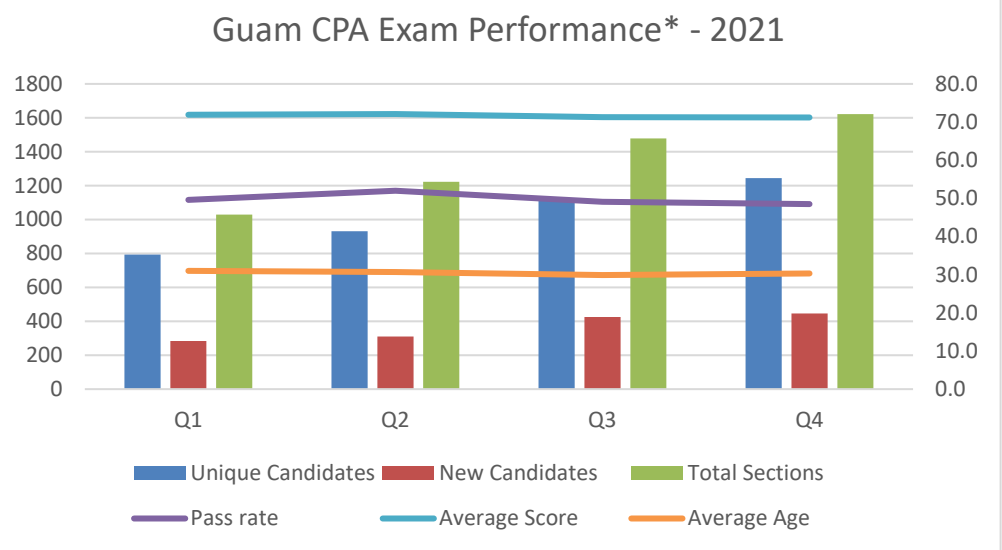
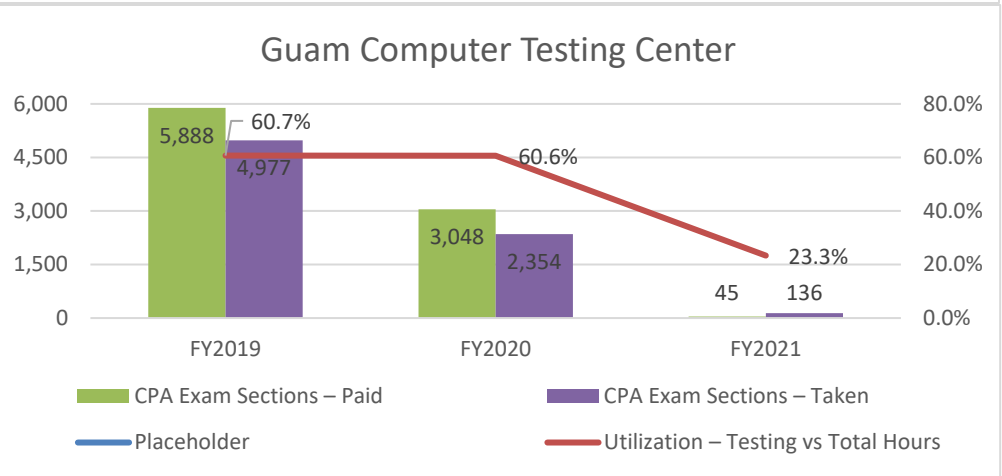
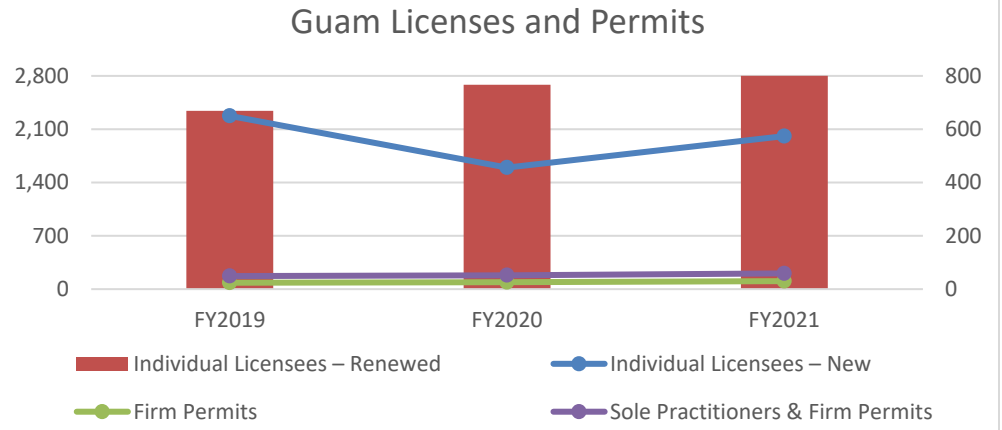


### FY2021 Accomplishments

**• Herminia Dierking and John Phillips Visiting Professor and Lecturer Program:** Contributed \$300,000 to Guam Accountancy Endowment Fund (GAEF), bringing the fund balance as of FY2021 to \$3.5mm. The GAEF annualized investment performance since inception was 8.6%, after covering \$230,000 of UOG Visiting Professor Program expenses.

**• GBA Livestream Meetings:** As of June 4, 2021, Guam Public Law 36-34 required all regular and special meetings of a public agency, other than those expressly authorized by law to be closed, to be broadcast via video live streaming applications as announced in the notice of meeting and on the agency's website. In compliance, GBA implemented Zoom for Board meetings, and raised a YouTube Livestream meeting channel to broadcast and record all GBA Board meetings. Our YouTube Meeting channel link is found at <https://www.guamboa.org/policies/activities.htm>. All meetings are open to the public.

**• CPA Exam Disciplinary Actions:** GBA successfully pursued disciplinary actions against two Guam CPA exam candidates proved to have cheated on the exam, by exchanging exam questions and content with other candidates in online, internet chat rooms. These candidates had their grades voided and were barred from re-applying for five years!



#### US CPA: WORLD WIDE EXAM SITES

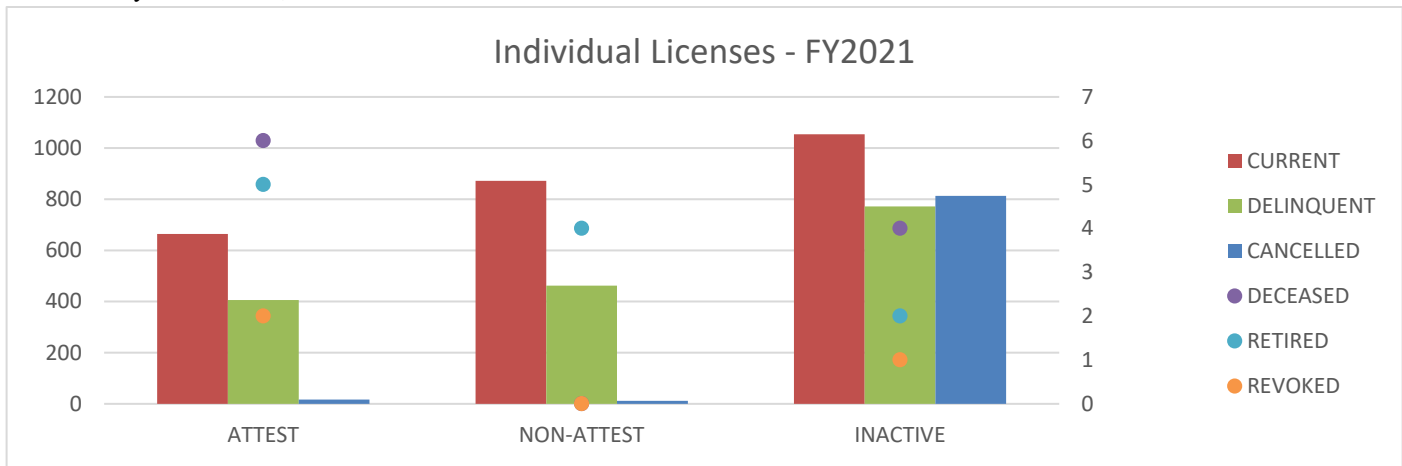


\*Calendar Year data from NASBA's Gateway Candidate Database for all jurisdictions. The measures reported on this page were included based on an analysis of the Board's annual activity plus special events. What would you like to see reported on in this page? Please let us know by contacting [admin@guamboa.org](mailto:admin@guamboa.org) or visit [www.guamboa.org](http://www.guamboa.org).

# Our Finances

## Revenues and Expenditures

The Guam Board of Accountancy Fund is a special revenue fund created to account for fees derived from CPA exam applicants, issuing licenses and permits, and other revenues such as the Guam Computer Testing Center surcharge, disciplinary fees and such. All GBA revenues are collected from CPA exam candidates, practicing CPAs and CPA firms; no funds are received from the US Federal Government or Government of Guam sources. All expenditures are for administering the Guam Accountancy Act of 2003, as amended.



### Revenue by Source

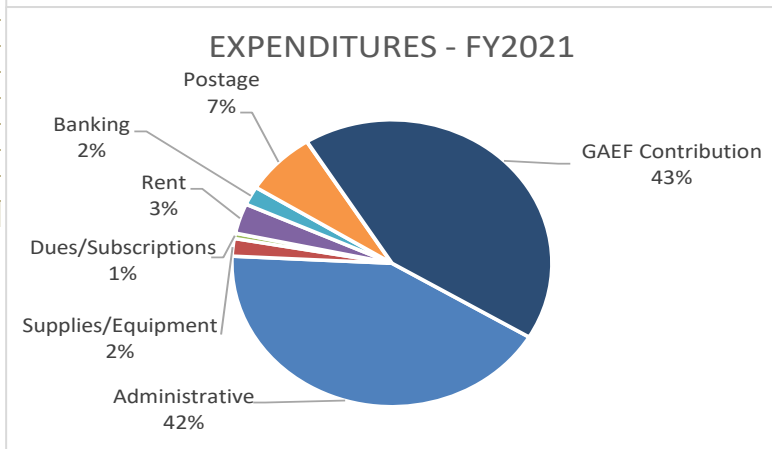
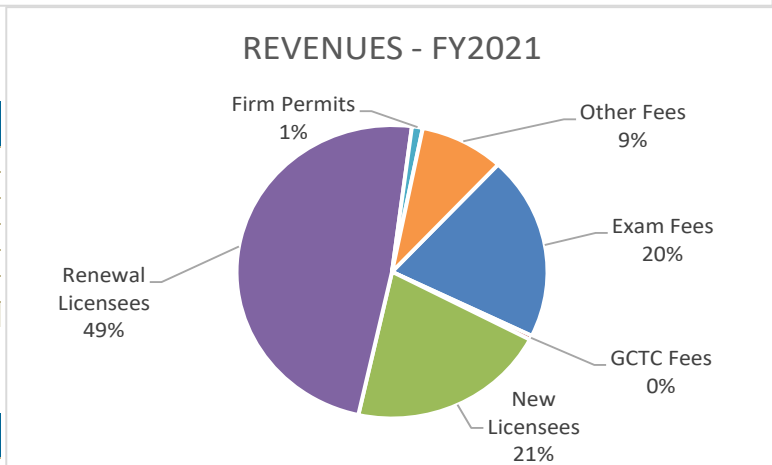
	FY2021	FY2020
Exam Application Fees	\$125,600	\$ 93,540
GCTC Administration Fees	2,940	213,360
Certification Fees	129,125	108,525
Individual Licensing Fees	301,318	268,300
Firm Licensing Fees	7,000	6,625
Penalties/Miscellaneous Fees	54,395	74,368
<b>Total Revenues</b>	<b>\$620,378</b>	<b>\$764,718</b>

### Expenditures by Service Area

	FY2021	FY2020
Administrative	\$297,626	\$276,723
Supplies/Equipment	13,962	22,935
Dues	4,240	15,240
Rent	23,868	23,868
Banking	14,893	13,089
Postage	51,031	37,390
Miscellaneous	1,651	1,367
GAEF Contribution	300,000	300,000
<b>Total Expenditures</b>	<b>\$707,271</b>	<b>\$690,611</b>

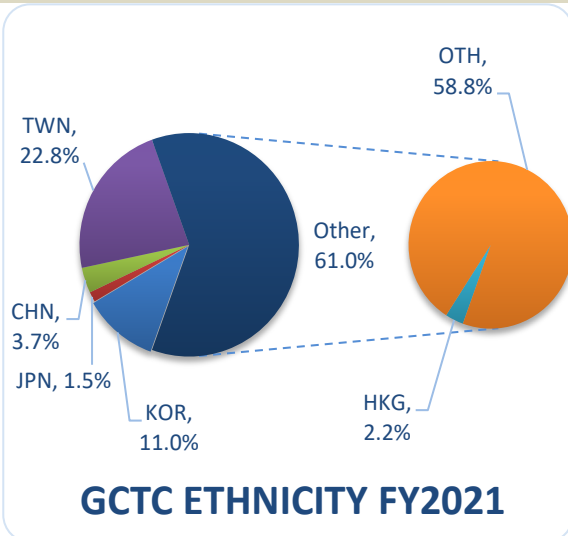
### Independent Audit

An independent audit conducted by Deloitte & Touche LLP includes the GBA Special fund in the Government of Guam's Basic Financial Statements. Complete financial information can be found at [www.guamboa.org](http://www.guamboa.org).



# What's Next

## Key Initiatives



### Guam Board of Accountancy Viability (Reprised)

GBA previously derived almost half of its revenues directly from examination fees generated by the Guam Computer Testing Center (GCTC). In FY2020, GBA received about one fourth of its revenues from the GCTC, and in FY2021, chiefly due to the Covid-19 Pandemic quarantines, GBA received less than 1.0% of its revenues from the GCTC. In fact, due to the NASBA, AICPA and Prometric decision in FY2020 to authorize Asian candidates to test in either Korea or Japan, the GCTC's CPA exam volume has been essentially eliminated. Though we would certainly welcome the return of foreign CPA Exam candidates testing in Guam, we are pleased that our conservative approach to operations has paid off. GBA has managed to fully support its FY2021 operations without GCTC revenues, while still funding the Visiting Professor Program at University of Guam.

### CPA Evolution Initiative - Update

The CPA Evolution initiative aims to transform the CPA licensure model to recognize the rapidly changing skills and competencies the practice of accounting will require in the future. During FY2020, the licensure model evolved into a recommended CORE set of 3 sections (Accounting, Auditing and Tax) coupled with one of 3 disciplines (Business Analysis/Reporting, Information Systems/Controls and Tax Compliance/Planning). In FY2021, NASBA and AICPA Core and Discipline taskforces launched a high-level model curriculum and began planning for the new CPA exam transition set for January 2024.

### Guam CPA Licensing Requirement - Update

As of December 16, 2021, licensure as a Guam CPA requires a total of 150 semester credit hours. This change is the result of a law passed in 2016 to phase-in the 150 hour education requirement and maintain Guam's substantial equivalency with the other 54 U.S. jurisdictions that license and oversee U.S. CPAs. GBA actively supports the University of Guam's effort to implement an accounting Masters degree program geared towards fulfilling this new requirement.

### Goals for the Future

GBA's planning for the future includes:

- Implementing a full, online, interactive licensing, renewal and payment processing application that enables a licensee to download and print their renewed license.
- Continued support of local Guam CPA candidates through the University of Guam Visiting Professor Program, including a Masters degree program.
- Updating the GBA law and rules bringing them into alignment with the latest version of the Uniform Accountancy Act as it relates Guam and the new CPA exam.

### We want to hear from you.

Do you like this report?  
Would you like to see other information?  
Please let us know by contacting us at [admin@guamboa.org](mailto:admin@guamboa.org). For more information on our services, visit our website at [www.guamboa.org](http://www.guamboa.org)

#### Guam Board of Accountancy Office

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September 29, 2022

MEMORANDUM

To: Public Auditor, Office of Public Accountability  
From: Executive Director, Guam Board of Accountancy  
Subject: Reporting Requirements Pursuant to P.L. 30-127, Citizen-Centric Reporting

In compliance with Citizen-Centric Report Public Law 30-127, attached is the pdf email attachment of CCR FY2021.

Should you have any questions, please call us at 647-0813 or email to: [execdir@guamboa.org](mailto:execdir@guamboa.org).

Sincerely,

Dave N. Sanford  
Executive Director

Attachment: PDF CCR FY2021