



A Report to the *Citizens of Guam*

Department of Administration

Fiscal Year 2009

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Why Does Department of Administration Exist?

Primarily to provide various support services to the Government of Guam agencies, in order to assist them in the execution of their respective missions. This department is essentially responsible for the effective administration of the internal business of the Government of Guam.

Our Mission:

To maximize the efficiency and effectiveness, with which the department's various responsibilities, are achieved by providing administrative, fiscal, technical and policy direction to the Government of Guam agencies for the execution of a variety of government-wide support services.

Divisions:

Director's Office:

Oversees the operation and function of all divisions.

Division of Accounts:

Accounting and reporting of all financial activities of the Government of Guam; administration and operation of the employees' payroll.

Treasurer of Guam:

Receiving and accounting for all monies; safekeeping of cash, bonds, and securities; administer the disbursement of government funds.

Human Resources:

Human resources recruitment; management and administration of personnel rules and regulations and employee benefit programs.

General Services Agency:

Solicitation and procurement of required products

and services for the delivery of government services; and administration of the records management program for the government of Guam;

Data Processing

Administration of the planning, implementation, utilization and standards of information technology and provide information technology support and services and administration of the public transit system.

Division of Public Transportation Services

Provide accessible public transit services for the general public and individuals with disabilities.

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Performance

General Service Agency

Major Workload	FY2007	FY2008	FY2009
Indicator	Accomplishments	Accomplishments	Accomplishments
Tenda Gubetnu Supply Requisition Processed	740	752	782
Purchase Order	8500	7240	8253
Transmitted Encumbrance Documents	8500	7240	8253

Data Processing Division

Major Workload	FY2007	FY2008	FY2009
Indicator	Accomplishments	Accomplishments	Accomplishments
Computer Operation Services	1125	1276	1250
Project Management Service (by Project)	57	51	70
Networking and Tech Support	2486	1599	2500

Human Resources Division

Major Workload	FY2007	FY2008	FY2009
Indicator	Accomplishments	Accomplishments	Accomplishments
Processed Application for Vacancies	4000	4285	8009
Processed GG1's/ Classification Activities	3122	1006	3220
Test Administration and Validation	985	1583	652
Processed Personnel Actions and Verifications	4989	3999	9039
Health/Life Insurance Administration	20000	32167	9961
Training and Development	1300	727	1545

Treasurer of Guam

Major Workload	FY2007	FY2008	FY2009
Indicator	Accomplishments	Accomplishments	Accomplishments
Collection Activity	624,020	645,324	682,386
Revenue Collection	\$ 578,012,266	\$ 619,673,594	\$ 601,855,168
Bank Collection Activity	28,604	28,607	18,822
Bank Deposits	\$ 48,176,635	\$ 49,964,213	\$ 35,621,081

Division of Public Transportation Service

Major Workload	FY2007	FY2008	FY2009
Indicator	Accomplishments	Accomplishments	Accomplishments
Fixed Routes	110,029	118,056	146,930
Demand Response	112,532	117,282	133,427
Paratransit Services	37,772	37,147	37,181

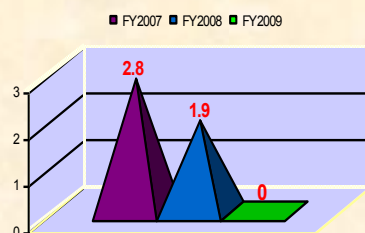
Division of Accounts

Major Workload	FY2007	FY2008	FY2009
Indicator	Accomplishments	Accomplishments	Accomplishments
Contract Processed	1,444	950	1,315
Vendor and Direct Payments	80,549	62,408	65,439
Travel Processed	6980	7,247	6,844
Journal Vouchers	24,117	54,613	54,732
Liquidations/Adjustments	1,661	5,754	3,608
Customs and Quarantine Activity	90,500	102,583	95,912
Checks Reconciled	523,200	568,791	504,307
Payroll Checks Processed and Issued	116,365	110,360	110,360
Federal Expenditures	\$ 180,881,668	\$ 200,636,583	\$ 232,352,843

Fiscal Year 2009 was the third consecutive year the Government of Guam's (GovGuam) financial statements were issued with an unqualified "clean" opinion. Also, for the first time in GovGuam's history, there were zero questioned costs, a significant improvement from the previous fiscal year of \$1.9 million. GovGuam also reduced the number of significant deficiency findings to 10, an improvement from the 21 findings in the prior year. The Department of Administration has been working diligently to maintain and improve the accountability of the Government to the stakeholders, mainly to the people of Guam.

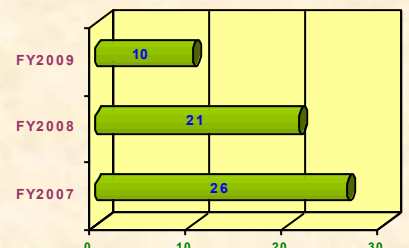
Question Cost Comparison

Fiscal Year	Question Cost
FY2009	\$ 0.0 million
FY2008	\$ 1.9 million
FY2007	\$ 2.8 million



Number of Findings Comparison

Fiscal Year	# of Findings
FY2009	10
FY2008	21
FY2007	26

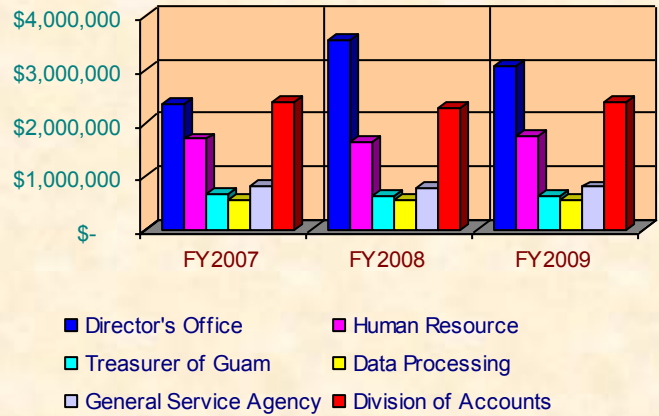


Financial Information

Annual Expenditure Comparison

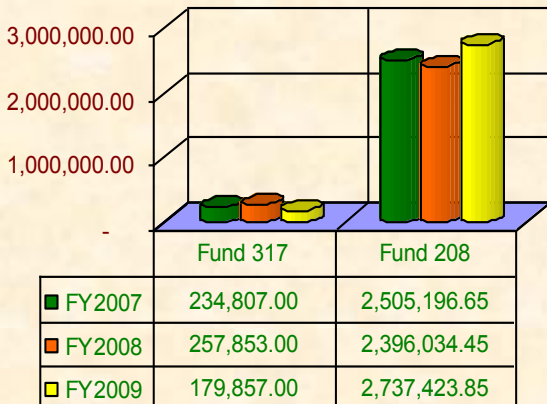
Divisions	FY 2007	FY 2008	FY 2009
Director's Office*	\$ 2,344,626	\$ 3,562,715	\$ 3,073,970
Human Resources	\$ 1,699,976	\$ 1,638,662	\$ 1,753,016
Treasurer of Guam	\$ 674,705	\$ 632,612	\$ 633,807
Data Processing	\$ 567,898	\$ 548,021	\$ 563,840
GSA	\$ 811,693	\$ 796,790	\$ 802,001
Division of Accts	\$ 2,390,215	\$ 2,284,467	\$ 2,386,350

Expenditure Comparison



* All contractual services for the Department of Administration were categorized under the Director's Office account.

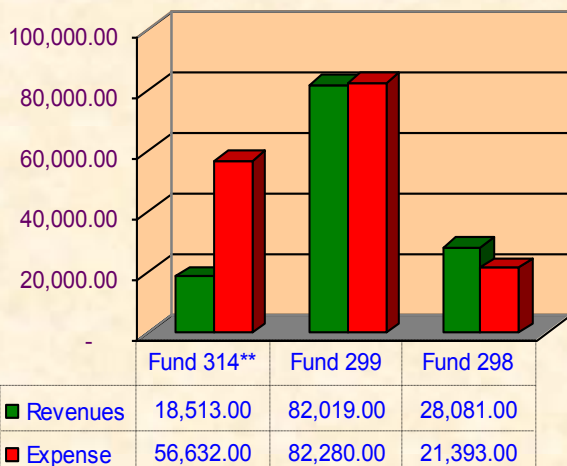
Division of Public Transportation Service Expenditure Comparison



The Division of Public Transportation Service operates under two funding sources: Fund 317 and Fund 208. Fund 317 is the Public Transit Fund. This fund was created by Public Law 26-76 under the authority of the Department of Administration to operate the Guam's Mass Transit System. Fund 208 is the Territorial Highway Fund which was created for the purpose of obtaining proper maintenance and construction of highways and for implementation of Highway Safety plans, programs, and projects. Revenues are derived from Federal Grants, certain liquid fuel taxes, vehicle registration fees and local appropriation. The Guam Mass Transit only receives a portion of its budget from this fund.



Revenues Expense



The Department of Administration oversees 121 active funds and out of the 121 funds, the department administers three Special Revenue Funds: State Agency for Surplus Property Fund (314), Financial Management Revolving Fund (299), and Human Resource Services Revolving Fund (298). The State Agency for Surplus Property Fund was created for the disposal of salvage and surplus personal property from GovGuam agencies and departments. The Financial Management Revolving Fund was created by Executive Order No. 2002-12 for cost associated with the handling and accounting for monies and deposits to be charged for treasury services to the Financial Management Division. The Human Resource Services Revolving Fund was created by Executive Order No. 2002-01 for administrative costs and supplies and equipment costs associated within the areas of classification and pay, recruitment, records, employee benefits, test development, employee management relations, training and development, as well as the Drug-Free Work program of Human Resources Division. Below shows the comparison data between revenues and expenditure for Fiscal Year 2009. An independent audit was conducted, resulting in a clean audit opinion. Complete financial information can be found on our website at <http://www.doa.guam.gov/>

**Note: Although Fund 314's expenditures are higher than the revenue in Fiscal Year 2009, The

Future Outlook

Military Build –Up

Guam is anticipating the relocation of 8,000 marines from Okinawa, Japan with support and families of over 40,000. Department of Administration is taking measures to improve services and to continue the accountability that is expected. The department is expecting an increase in capacity as well as additional processes and technology implementation to accommodate the work load that is forthcoming.

Audit Performance

The Department of Administration will endure another period of audit for Fiscal Year 2010. The department is determined to maintain the unqualified “clean” opinion for the fourth consecutive year. The audit will be conducted by independent auditors Deloitte and Touché, LLP.

Human Resources—Looking Ahead

Outlook

- Implementation of the government-wide position classification, compensation and benefits study results in FY2011.
- Open enrollment of FY2011 health insurance.
- Request for proposal for health and life actuary.
- Request for proposal for a medical review officer for the drug free workplace program.
- New contract for laboratory services for the drug free workplace program.
- Public Employee Management Relations Act (PEMRA)-Collective Bargaining Unit Elections.

Challenges

- Ensures that updates to the new pay plans in line with the changes in the market
- The inability to fill much needed vacancies and the creation of new ones.
- Maintenance and update of computer equipment to meet automation needs.
- Training resources and obtaining sufficient number of Equal Employee Opportunity committee members.
- Random drug testing of Law Enforcement Officers with insufficient funding.
- The existence of inequality of similar positions within the line and autonomous agencies should the compensation plan for the Government of Guam is applied.

PERFORMANCE MEASURES

With the assistance of the Pacific and Virgin Island Training Initiative under the Department of Interior, Office of the Insular Area; Department of Administration is implementing its performance measures to assist the department on the following:

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| <ul style="list-style-type: none"> • Evaluate and measure organizational performance. • Appraise employee performance. • Assess organizational budget and cost. • Perform benchmarking to measure expectations. | <ul style="list-style-type: none"> • Promote efficiency and accountability. • Evaluate the quality of service. • Motivate cohesiveness and team-building. • Improve moral throughout the department. |
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Division of Public Transportation Service—Future Outlook

In March 2009 Public Law 30-5 was enacted creating the Guam Regional Transit Authority (GRTA), which went into effect October 1, 2009. The most immediate future outlook for DOA's role with mass transit is the transition of DOA's mass transit duties, responsibilities, authorities, etc., to the newly created GRTA. A governing Board of Directors must be put into place, an Executive Manager must be hired, operations and services must transition from DOA to the GRTA with minimal impact on services to the public. FY2010 will be the first fiscal year in the existence of the GRTA and henceforth moving forward as an autonomous agency.

While Mass Transit was under DOA, federal funding from the American Recovery and Reinvestment Act (ARRA) was applied for and DOA was awarded \$921,976 to purchase new buses. This grant will be transferred to the GRTA, and it will purchase the new buses. While Mass Transit was under DOA the 2030 Guam Transportation Plan (2030 GTP) was developed by and released from the Department of Public Works (DPW) and its consultant Parsons Brinckerhoff (PB). The 2030 GTP has a component for Mass Transit which includes plans for growth and expansion as a result of the military build up. Additionally, a Transit Business Plan (TBP) was developed with the support of DPW and PB which will guide the mass transit goals and objectives through 2015.

Data Processing's Challenges

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| <ul style="list-style-type: none"> • Consolidate system servers in the government to be more cost effective. • Implement centralized data center model to be more efficient. • Recruit an on-site Data Center Engineer. • Reclassifying obsolete information technology positions to conform to their new position description. • Infrastructure improvements such as painting, rest room renovations, air conditioners, and so on... | <ul style="list-style-type: none"> • Upgrade power sustainability (generator replacement, UPS batteries). • Facility security upgrade. • Maintain online procurement system and email system consolidation. • Potential relocation of the Data Center. • Securesafe Access Upgrade. |
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