

**Office of Public Accountability  
Annual Report**

**Calendar Year 2012**

**May 2013**



# **Office of Public Accountability Annual Report**

**Calendar Year 2012**

**May 2013**

Distribution:

Governor of Guam  
Lt. Governor of Guam  
Speaker, 32<sup>nd</sup> Guam Legislature  
Senators, 32<sup>nd</sup> Guam Legislature  
U.S. Department of the Interior,  
Office of Inspector General  
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## Message from the Public Auditor



My Dear People of Guam:

Un Dangkulu Na Si Yu'os Ma'ase for re-electing me to a fourth term as your Public Auditor. You have again bestowed your trust and confidence in me and I shall endeavor to be worthy of that trust. I also thank God for his blessings and ask God for his continued guidance as we move forward into this fourth term.

My re-election would not have been possible were it not for my hardworking and dedicated staff whose commitment, professionalism and integrity produced quality reports. I want to especially thank our core management staff of four, each of whom have been with me for over nine years.

This is our 12th annual report. Over these past twelve years there has been a sea change in the audit landscape. We were once a Government whose financial audits were behind nearly two years, riddled with opinion qualifications and millions in questioned costs. Performance audits were virtually non-existent.

Today our financial audits are issued timely with unqualified "clean" opinions. Questioned costs are now in the tens of thousands, not millions. But improvements in compliance still await us. I have set the goal for our Government and all its component units to become low risk auditees. Material weaknesses still occur in certain major agencies such as the Guam Memorial Hospital, the Department of Education and the General Fund through its line agencies such as Departments of Public Health and Social Services, Public Works, and Revenue and Taxation. There is only one entity, the Guam Community College, who is a low risk auditee. All entities who receive federal grants should become low risk auditees to give our people and the Federal government confidence in our ability to manage federal funds.

Another goal we have set is for the Government Wide Audit to be issued within six months from fiscal year end rather than the nine months it now takes. And to have the Department of Administration issue the Or-

ganic Act required Comprehensive Annual Financial Report (CAFR) with the annual audit. When these accomplishments are achieved our Government will join the nearly 40 states and over 3600 local jurisdictions who receive the Certificate of Excellence from the Government Finance Officers Association for issuing a CAFR and audit in six months. We now have 13 entities who are able to issue financial audits in six months.

Staffing continues to be problematic. We have yet to recover from the loss of three staff in early 2012, which brought our staff complement down to 12. Despite the loss of staff we issued nine performance audits with 25 recommendations that collectively identified \$4.3 million in questioned costs and other financial impact.

We administered 19 procurement appeals from which eight decisions were issued, seven were resolved through stipulated agreements, three subsequently withdrawn of which one was after extensive deliberations and hearings, and one dismissed.

I have had the good fortune as a member of Association of Pacific Island Public Auditor s (APIPA) and the Pacific Association of Supreme Audit Institutions (PASAI) to visit other audit offices in the Pacific. With the continuity of leadership OPA has earned a reputation for audit competence among our Pacific colleagues. Our goal is for OPA to become a model robust audit office that helps to promote good governance in our government. Our vision is that Guam is the model for good governance in the Pacific.

I am also pleased to report that OPA will host the 16th PASAI Congress in September 2013. The main delegates, approximately 60, are the Auditor Generals of New Zealand, Australia, Fiji, Tonga, Papua New Guinea and French speaking territories such as New Caledonia and other island countries. We are excited and honored to be the Congress host.

*Senseramente,*

Doris Flores Brooks, CPA, CGFM  
Public Auditor



## The Office of Public Accountability

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 seeks to: (1) achieve independent and nonpartisan assessments that promote accountability and efficient, effective management throughout GovGuam; and (2) serve the public interest by providing the Governor of Guam, the Guam Legislature, and the People of Guam with dependable and reliable information, unbiased analysis, and objective recommendations on how best to use government resources in support of the well being of our island and its constituents.

### Our Motto

“Auditing for Better Government”

### Our Mission

To improve the public trust, we audit, assess, analyze, and make recommendations for accountability, transparency, effectiveness, efficiency, and economy of GovGuam, independently, impartially, and with integrity.

### Our Vision

“Guam is the model for good governance in the Pacific.”



**The OPA Staff.** L-R: Jocelyn Untalan, Rachel Field, Jerrick Hernandez, Rodalyn Gerardo, Public Auditor Doris Flores Brooks, Vince Duenas, Llewelyn Terlaje, Travis Carbon, Michele Huffer, and Clariza Roque. Not Pictured: Franklin Cooper-Nurse and Joy Bulatao

## Inauguration

On January 7, 2013, Public Auditor Doris Flores Brooks was sworn in for her fourth term at the Supreme Court by Chief Justice F. Phillip Carbullido. She is the only person to have been elected Guam's Public Auditor and has run unopposed in the last three elections. She is also the longest serving Public Auditor of Guam. The ceremony was held in the Justice Monessa G. Lujan Appellate Courtroom, with Governor Eddie Baza Calvo as the guest speaker.



Chief Justice F. Phillip Carbullido swears in Public Auditor Doris Flores Brooks with her husband James Brooks at her side.



Pictured from Left to Right : Vice Speaker Benjamin Cruz, Public Auditor Doris Flores Brooks, Governor Eddie Baza Calvo, and Chief Justice F. Phillip Carbullido.



## Year in Review

In 2012, OPA continued its commitment and dedication to “Auditing for Better Government” by:

- Issuing nine performance audits that identified over \$4.3 million (M) in questioned costs and financial impacts;
- Making 24 recommendations to improve government accountability, effectiveness, and efficiency;
- Providing oversight for the issuance of 22 financial audits;
- Administering 19 procurement appeals; and
- Issuing nine Requests for Proposals (RFP) for financial audit services.

### Performance Audits

Performance audits are audits that improve the effectiveness and efficiency of government operations. Of the nine performance audits we completed in 2012, we provided:

#### Insight Reviews

1. Guam Veteran Affairs Office’s Non-Appropriated Funds
2. Guam Memorial Hospital Authority Compensation Controls
3. Government of Guam Analysis of Top Ten Vendors
4. Government of Guam Gas Fleet Card Program
5. Guam Department of Education’s Cash Controls over School Meals Program
6. Government of Guam Payroll-Related Demand Runs and Special Payments

#### Oversight Reviews

1. Government Wide Submission of Citizen-Centric Reports Pursuant to Public Law 31-77
2. Government of Guam Supplemental Appropriations Revenue (SAR) Fund
3. OPA’s Status of Audit Recommendations



Public Auditor and staff at OPA’s 2012 Christmas Party.

### Procurement Appeals

Nineteen procurement appeals were brought before the Public Auditor in 2012. Of the 19 appeals, eight received decisions, three were withdrawn, one dismissed, and seven were resolved through stipulated agreements. Of the eight decisions, seven decisions were in favor of the government, with one decision partially in favor of the government. Appeals ranged from a myriad of items, including income tax credits, laptops and computers, telecommunication services, structural repairs and landscape maintenance amounting to over \$19M in procurement value.

The goal of OPA is to issue timely procurement appeals decisions. Appeals should be resolved within 90 to 120 days of the appeal filing. And correspondingly, decisions should be rendered within 30 to 60 days of the conclusion of appeal hearing. Of the eight decisions issued, they ranged from 15 days to 149 days for an average of 86 days. Two of the decisions were procurements with American Recovery and Reinvestment Act (ARRA) funding that had a 15 day mandated deadline, which were issued within the shortened timeframe.

### Financial Audits

#### *Financial Reporting*

Financial audits are a key element in assessing the annual overall performance and fi-



nancial health of government entities to determine the accuracy, completeness, and fair representation of the entity's operations.

We continue to see improvements in financial audit reporting. There were 22 financial audits issued in calendar year 2012. Of the 22, 13 agencies issued their reports within six months after year end. Two entities, the Mayors Council of Guam (MCOG) and Liberation Day Committee Fund (LDC) had qualified audit opinions. For MCOG, \$205 thousand (K) of deposits and \$86K disbursements were not verifiable for FY 2010. Similarly, for 2010 LDC, \$49K of deposits and \$33K of disbursements were not documented. While this was their first financial audit, previous performance audits by OPA had pointed out similar findings.

The Department of Chamorro Affairs (DCA) also had a qualified opinion on their non-appropriated funds due to lack of documentation and reconciliation of its book inventory.

#### *Compliance*

For compliance, there are two types of reports issued. All agencies undergo a report on compliance on internal control over financial reporting. As a result there were 22 compliance reports issued in 2012. In addition, agencies that expend more than \$500,000 in federal grants are subject to an A-133 Single Audit.

Findings consist of material weaknesses, significant deficiencies, and management letter comments.

A material weakness is a deficiency, or combination of deficiencies in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

A significant deficiency is a deficiency, or combination of deficiencies, in internal control that is less severe than material weakness, yet important enough to merit attention by those charged with governance

In 2012, there were 30 compliance findings consisting of 18 material weaknesses and 12 significant deficiencies among the following 11 agencies:

1. Government of Guam
2. Guam Department of Education
3. Guam Memorial Hospital Authority
4. Department of Chamorro Affairs
5. Mayors Council of Guam
6. Territorial Highway Fund
7. Liberation Day Committee
8. Guam Housing Corporation
9. Guam Preservation Trust
10. Guam Power Authority
11. Solid Waste Operations Fund

Of the ten agencies subject to a A-133 Single Audit in 2012, 18 compliance report findings (five material weaknesses and 13 significant deficiencies) were issued to the following eight agencies:

1. Government of Guam
2. Guam Department of Education
3. Guam Memorial Hospital Authority
4. University of Guam
5. Guam International Airport Authority
6. Port Authority of Guam
7. Guam Community College
8. Guam Housing and Urban Renewal Authority

For an entity to be considered low-risk, it should have been audited as a major program in at least one of the two most recent audit periods and should have no audit findings. There is only one entity, the Guam Community College, who has met this designation. GCC has been a low-risk auditee for the past twelve years.



*Management Letter*

Auditors may also issue a Management Letter, which identifies deficiencies related to internal control over financial reporting and other matters. 71 management letter comments were identified for the following agencies:

1. Guam International Airport Authority
2. Port Authority of Guam
3. Guam Housing Corporation
4. PBS Guam
5. Guam Visitors Bureau
6. Guam Preservation Trust
7. Guam Power Authority
8. Guam Memorial Hospital Authority
9. Mayors Council of Guam
10. Guam Waterworks Authority
11. Liberation Day Committee
12. Guam Housing and Urban Renewal Authority
13. Government of Guam
14. Solid Waste Operations Fund

**Staff and Time Composition**

As of December 31, 2012, OPA had 12 full-time staff . The OPA staff spent most of the 25,728 available hours in 2012 on audits, reviews, legislative mandates, and procurement appeals.

**Staff Development**

Working with the Department of Interior Office of Insular Affairs (DOI OIA), the OPA received approval for Grant No. TA-Guam-OPA-2012-8 in May 2012. The \$76,000 training grant was utilized to send OPA auditors to Department of Interior, Office of Inspector General (DOI-OIG) internships, local training seminars, and certain off-island conferences. The grant will expire on December 31, 2013.

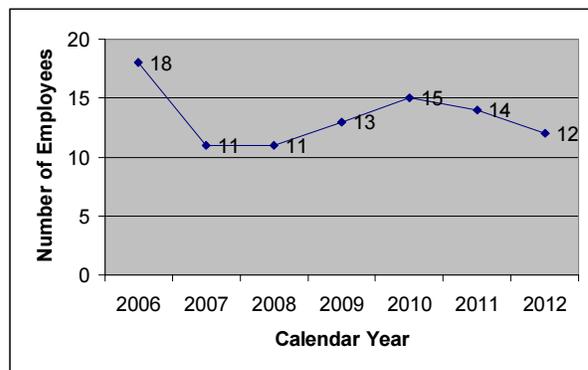


OPA staff at Audit Supervisor Lourdes Perez’s Going Away Luncheon.

**Staff Recruitment and Retention**

OPA continues to face difficulty in recruitment and retention. Through the Department of Administration (DOA) Human Resources (HR), OPA has continuously announced its search for Auditors I, II, and III’s, and Paralegal II since April 2011. Only one new Auditor I was hired in February 2013.

From January to March 2012, OPA lost an Auditor III, an Auditor Supervisor, and its only Procurement Appeals Administrator. Most have resigned to accept higher salaries offered from autonomous agencies. The graph below shows the fluctuation of the number of OPA employees since 2006.



Under the purview of DOA HR, OPA is unable to compete with autonomous entities, the federal government, and the private sector which have greater personnel flexibility. Unlike autonomous agencies who have im-

plemented for several years, their version of the Hay Study. OPA’s main challenges to recruitment and retention are:

1. Low pay compensation package; and
2. Bureaucratic and lengthy hiring process.

### Who Audits the Auditor?

Government Auditing Standards require an audit organization to undergo a quality control review (peer review) every three years. OPA was audited for the fifth time by the Association of Pacific Islands Public Auditors (APIPA) in October 2011. Additionally, independent auditors Deloitte & Touche annually audit OPA’s financial statements as part of the annual Government-Wide financial audit, and has not issued any management letter comments for the last several years.

### FY 2012 Budget Execution

For fiscal year (FY) 2012, OPA’s total appropriation was \$1.3M and expenditures were \$1.1M. OPA’s expenditures primarily consisted of salaries and benefits (70%), contractual services (15%) and rent (9%). See table below and Appendix 1 for financial statements.

Expenses	FY 2012 (Unaudited)	FY 2011
Salaries and Benefits	\$ 792,913	\$ 867,384
Rent	\$ 102,594	\$ 102,594
Contractual	\$ 170,876	\$ 79,024
Training	\$ 17,227	\$ 58,265
Equipment	\$ 17,223	\$ 28,949
Capital Outlays	\$ -	\$ 24,929
Travel	\$ 12,487	\$ 7,727
Supplies	\$ 7,674	\$ 7,214
Telephone and Utilities	\$ 3,174	\$ 5,333
Miscellaneous	\$ 1,995	\$ 4,152
<b>Totals</b>	<b>\$ 1,126,163</b>	<b>\$ 1,185,571</b>



OPA staff and internal auditors at Performance Auditing Training with Instructor Steve Morgan.

### BBMR Allotment Control

For the FY 2013 budget appropriation, OPA was the only elected office not exempted from Bureau of Budget Management and Research (BBMR) control. This exemption had been given to OPA during the past 12 fiscal years like other elected offices. The Legislature, the Mayors’ Council, the elected Attorney General, and the Judiciary were all exempted. We ask the Legislature to grant OPA exemption from BBMR allotment control, similar to other elected offices.

Similarly in prior years, OPA was granted authority to carryover unused funds. This again was taken away in the FY 2013 Budget Act. Because of recruitment difficulties, OPA had accumulated personnel lapses of \$441K. These personnel lapses, unlike other agencies who fully expend their budgets, contributed to deficit reduction.

OPA’s FY 2013 initial appropriation of \$1.3M was adjusted by the Income Tax Refund set aside of \$67K and 15% BBMR allotment reserve of \$185K, leaving a net authorized budget of \$1.05M. This is less than OPA’s FY 2006 budget of \$1.07M.

One way to render an audit office ineffective is by lack of adequate funding. For an effective audit office to function independently, it must have the adequate funding, financial autonomy, and staff resources in order to perform the work required.



# Pacific Daily News

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 forget to vote in Pacific Daily News poll. question:  
 do you think security is the public's top priority?  
 1. Yes 2. No  
 3. Other  
 4. Don't know  
 5. No answer  
 6. No opinion  
 7. No response  
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## 20 at GovGuam net \$1.2M

### Audit: Employees compensated above regular pay

**By Gaynor Dumat-ol Daleno**  
*Pacific Daily News*  
 gdumat-ol@guampdn.com  
 Twenty local government employees received \$1.2 million combined in compensation over the last three fiscal years on top of their regular paychecks, an audit report shows.  
 Half of the people on this top-20 list are Guam Customs and Quarantine agency officers. The rest include fire and corrections department officers, a couple of Cabinet officials and two police officers.

#### THE TOP 20 LIST FISCAL '09-'11

- Local
- CUSTOM SUPERVISOR
  - ASSISTANT SUPERVISOR
  - ASSISTANT SUPERVISOR
  - DPW EN
  - CUSTOM SUPERVISOR
  - POLICE I
  - MENTALS
  - POLICE I

Payments issued between

Total checks issued

■ CORRECTIONS GUARD \$56,733 12  
 ■ DOA CHIEF

FRIDAY, DECEMBER 28, 2012 - MARIANAS VARIETY GUAM EDITION

## OPA questions government of Guam fuel purchases

**By Joy White**  
 joy@guampdn.com  
 Variety News Staff  
 The government of Guam may be losing money when its employees gas up their government vehicles. During an audit of the government's fuel purchases, the Office of Public Accountability (OPA) questions the government's fuel purchases.



This shows a maintenance truck of the Department of Public Works, the only agency that the Office of Public Accountability says reconciles fuel receipts with actual billings.

UOG has an undocumented contract with its current fuel vendor that has been in place for an undetermined period of time, OPA disclosed.  
 The OPA also reported \$10,739 in unauthorized purchases of premium fuel — GovGuam is only authorized to purchase regular and diesel fuel. The only agency authorized to purchase premium fuel is the Guam Police Department.

Today, the price of fuel on Guam is \$4.78 per gallon of regular fuel. In October 2008, the price of fuel was \$3.32 per gallon of regular fuel.  
 The report recommends: "In this time of rising costs and minimized budgets, GovGuam agencies should be more mindful of fuel costs."

The University of Guam was also unable to provide evidence that it utilized any kind of procurement process, which puts into question all its fuel purchases from Fiscal Years 2009 to 2011.

## OPA releases report on SAR Fund

**By Louella Losinio**  
 louella@mgguam.com  
 Variety News Staff  
 The Office of Public Accountability has released a performance audit report of the government of Guam's Supplemental Appropriations Revenue (SAR) Fund.  
 Since its establishment in June 2011 through the Supplemental Appropriations Act, the SAR Fund "ensured" funding for vital government of Guam agencies "despite limited resources available."  
 According to the report,

amount to a total of almost \$14.3 million, and almost half of that amount has been uncollected.  
 From the SAR Fund, \$12.7 million was allotted to cover health insurance shortfalls and \$1 million for the Guam Memorial Hospital Authority's delinquent contributions.  
 The Guam Department of Administration has been pursuing various government agencies to collect the remaining balance.  
 These agencies include the Department of Public Works,

Power Authority, and the Guam International Airport Authority.  
 A pending court decision and approval from the federal receiver has delayed the release of at least \$4.3 million from DPW while more than \$2.1 million has yet to be collected from PAG, GPA, and GIAA.  
 The OPA report also included several suggestions to help ensure compliance and improve accounting and funding. One of these suggestions involves "amending the law to include a review of the SAR Fund as part of the annual government of Guam financial audit."

**KUAM NEWS**  
 GUAM'S NEWS NETWORK

**SMART METER**  
 smart safe secure  
 Smart grid saves money by lowering the cost of delivering electricity to your family.  
 Smart Meters are safe. They pass on threat to human health.  
 Smart Meters contain no personal information. Consumption and power quality data is protected from unauthorized access.

## Legal action may be sought over audit recommendations

**By Armando Cordoba**  
*Pacific Daily News*  
 arcordova@guampdn.com  
 The Office of Public Accountability may seek legal action if government agencies don't follow recommendations from audits conducted in previous years.  
 The office released the Status of Audit Recommendations on Monday. It noted that of the 77 recommendations coming from audits conducted for 12 agencies in 2010 and 2011, only 27 have been implemented. That leaves 50 recommendations that government agencies haven't acted upon.  
 The recommendations consist of corrections that government

agencies can use to become more efficient and reduce monetary waste, according to the report.  
 If agency leaders had implemented the recommendations, the financial impact would have been \$33.9 million, according to the report.  
 The report also said Guam Code Annotated gives the public auditor the ability to seek legal action in the Superior Court of Guam and force government agencies to start implementing the recommendations if they have not done so.  
 The office hasn't taken this course of action yet because it's

## Inefficiencies found in DOA payroll systems

**Posted: Dec 04, 2012 4:52 PM**  
**Updated: Dec 14, 2012 10:33 AM**  
 by **Ken Quintanilla**  
 Guam - Inefficient processing was discovered in the Office of Public Accountability performance audit of the Department of Administration's processing of payroll-demand runs and special payments. The report shows that while payments were authorized and correctly calculated, they were processed any day of the week being processed together.  
 The OPA noted that demand runs and special payments should occur on an emergency basis, not on a regular basis.

Meanwhile, the OPA recommended DOA to limit the number of routinely processed payroll-demand runs.

## More accountability needed on GovGuam's fuel purchases

**By Jerick Sablan**  
*Pacific Daily News*  
 jpsablan@guampdn.com  
 The government of Guam is spending too much money on gas and needs better accountability with fuel purchases, according to an audit from the Office of Public Accountability.  
 An audit on the gas fleet card program was released yesterday and showed that several GovGuam agencies paid 25 cents more per gallon of regular fuel and 5 cents more per gallon for diesel fuel in fiscal year 2011 compared to agencies who procured fuel on their own. This created a loss of \$144,000 for the government for the fiscal year. The agency that had the cheapest fuel costs was the Guam Power Authority. The audit stated the in-house engineer at GPA monitors fuel prices based on industry standards to ensure GPA gets the best price. The audit recommended other agencies work with GPA to do the same.  
 The audit also found that nearly 40 percent of GovGuam agencies don't reconcile fuel billings to actual fuel receipts in order to ensure accuracy of the payments.

The University of Guam didn't follow procurement procedures in its contract so the audit questions fuel purchased from fiscal 2009 and fiscal 2011. This lack of procurement caused UOG to pay the highest unit price for a gallon of fuel and has resulted in a loss of \$16,000.  
 Another loss to the government is payment for premium fuel purchases.

The audit found that 15,904 gallons of premium fuel was purchased between fiscal 2009 and 2011, which amounted to \$52,498. These fuel purchases shouldn't have been made because they weren't authorized, the audit states.  
 The audit recommends the government place better control on fuel purchases especially at a time of rising costs and minimized budgets.



## Performance Audits Overview

In 2012, OPA issued nine performance audits that collectively identified over \$4.3M in questioned costs and other financial impacts. The following is a synopsis of our completed audits. Refer to table below for our performance audits statistics.

### Report No. 12-01: Guam Veterans Affairs Office (VAO) Non-Appropriated Funds

We found the Guam Veterans Commission (Commission) did not perform its fiduciary responsibility to provide oversight or adequately monitor VAO’s finances and operations.

We concluded that it was not possible to completely assess or quantify the extent of:

- loss due to the lack of burial claims submitted by the former Administrator, and
- possible misuse or misappropriation due to poor record keeping.

The Commission’s inability to provide oversight and monitoring over VAO’s finances

and operations led to \$66K in lost/potential revenues, as well as unallowable and unsupported costs.

We recommended for the Commission to:

1. Immediately discontinue the practice of signing blank checks and require the Administrator to provide supporting documentation prior to all disbursements;
2. Perform monthly bank reconciliations and prepare monthly financial statements to ensure that all cash collected and disbursed is accurately accounted for; and
3. Maintain a list of all claims submitted to the U.S. Department of Veterans Affairs.

### Report No. 12-02: Supplemental Appropriations Revenue (SAR) Fund

In June 2011, the Supplemental Appropriations Act of 2011 (P.L. 31-74) established the SAR Fund to ensure that various Gov-Guam agencies “deemed vital” would be funded, despite limited resources available.

Report No.	Report Title	Financial Impact			# of Recommendations
		Questioned Costs	Other*	Total	
#12-01	Guam Veterans Affairs Office Non-Appropriated Funds	\$ 37,235	\$ 29,217	\$ 66,452	4
#12-02	Supplemental Appropriations Revenue (SAR) Fund	\$ -	\$ -	\$ -	1
#12-03	Government Wide Submission of Citizen-Centric Reports Pursuant to Public Law 31-77	\$ -	\$ -	\$ -	0
#12-04	GMHA Compensation Controls from 2009 to 2011	\$ 205,831	\$ -	\$ 205,831	6
#12-05	GovGuam Payroll-Related Demand Runs and Special Payments	\$ 3,882	\$ -	\$ 3,882	5
#12-06	GovGuam Analysis of Top Ten Vendors	\$ 3,671,346	\$ -	\$ 3,671,346	1
#12-07	GovGuam Gas Fleet Card Program	\$ 184,312	\$ 166,679	\$ 350,991	4
#12-08	Guam DOE’s Cash Collections over School Meals Program	\$ -	\$ 25,223	\$ 25,223	3
#12-09	OPA’s Status of Recommendations	\$ -	\$ -	\$ -	0
<b>Totals</b>		<b>\$ 4,102,606</b>	<b>\$ 221,119</b>	<b>\$ 4,323,725</b>	<b>24</b>

\*Note for Financial Impact Other: 12-01 No 1099 forms issued, 12-07 Lost Savings, and 12-08 Missing Cash



With the exception of an over-expenditure of \$536K, SAR Fund revenues and expenditures were recognized in accordance with law.

While P.L. 31-74 mandated OPA to conduct an annual audit of the SAR Fund, we recommended amending the law to include review of the SAR Fund as part of the annual Government of Guam financial audit.

### **Report No. 12-03: Government Wide Submission of Citizen-Centric Reports Pursuant to Public Law 31-77**

A CCR is a condensed four page report to the people of Guam outlining an agency's mission, goals, accomplishments, challenges and other note worthy achievements. P.L. 31-77 requires an annual development and submission of a CCR.

A total of 59 entities were required to submit and post a CCR on their website. As of October 31, 2012, 53 agencies or 90% submitted a CCR. The remaining six entities who did not submit a CCR for FY 2011 were as follows:

1. Department of Parks and Recreation,
2. Guam Board of Accountancy,
3. Guam Contractors License Board,
4. Guam Memorial Hospital Authority,
5. Veterans Affairs Office, and
6. Public Utilities Commission.

Of the 53 agencies that issued a CCR, eight did not post their CCR on their website.

### **Report No. 12-04: Guam Memorial Hospital Authority Compensation Controls**

GMHA has weak basic controls to ensure authorized and accurate compensation to personnel who were paid more than \$100K annually.



We found that GMHA's:

- Weak management oversight contributes to potentially excessive compensation and hours worked;
- Timekeeping and payroll controls need strengthening; and
- Complex pay structure contributes to errors.

Questioned costs amounted to \$206K for 15 individuals tested in three pay periods. This represents 53% of the \$387K in total compensation paid for the three pay periods. Had additional testing been undertaken, questioned costs would likely be significantly higher.

Recommendations included:

1. Enforcement of GMHA's policy for all employees, particularly physicians, to clock-in electronically,
2. Establishing built-in controls within the payroll system;
3. Implementing compensation threshold policies; and
4. Developing a tracking system to correlate physicians' hours worked and paid to billings by physicians.

### **Report No. 12-05: GovGuam Payroll-Related Demand Runs and Special Payments**

DOA's processing of payroll-related demand runs and special payments were generally authorized and correctly calculated, but they were not efficiently processed.

We found that demand runs and special payments were processed any day of the week, and occurred an average of 11 work days per month in FY 2011. Processing demand runs and special payments required DOA payroll staff to spend additional time processing these payments.

The top three agencies with the largest and most frequent issuance of demand runs and special payments were the Guam Police Department, Department of Corrections, and Customs and Quarantine Agency, accounting for 14,462 payments totaling \$8.6M for the three years.

Additionally, 46 CQA employees routinely received demand runs, averaging 24 checks per year or almost one demand run pay check every other week during the year.

We recommended for DOA to:

1. Develop a policy to limit the number of routinely processed demand runs to once a week on non-payroll weeks or as part of the biweekly payroll run;
2. Create a task force to simplify, consolidate, and review the necessity of having 98 pay codes in the AS400; and
3. Develop a filing system to ensure that all supporting documents are maintained within the Payroll Section.

**Report No. 12-06: GovGuam Analysis of Top Ten Vendors**

The GovGuam General Fund and its related funds spent \$123.8M for goods and services in FY 2009, \$165.7M in FY 2010, and another \$165.2M in FY 2011, for a total of \$454.8M on goods and services. In each of the three years, over 40% of GovGuam’s purchases went to the top ten vendors.

We found deficiencies with the procurements of these ten vendors that amounted to \$3.7M

in questioned cost:

- Procurement of goods and services with escalating contract costs totaling \$1.1M over the original contract amount;
- Two million (\$2M) for an award not given to the lowest bidder as well as this bid not being advertised;
- Utilization of sole source procurement without justification totaling \$6K; and
- Missing documentation totaling \$526K.

There is a lack of due diligence with locally funded procurement compared to federally funded procurement. These conditions occurred because there was no secondary review of locally funded procurement and no standard filing system to ensure proper filing of all procurement documents.

We recommend that General Services Agency follow the Attorney General’s checklist for all procurements and utilize the standard templates for various methods of source selection to ensure compliance with established procurement regulations.

**Report No. 12-07: GovGuam Gas Fleet Card Program**

In a time of rising costs and minimized budgets, GovGuam agencies should be more mindful of fuel costs. GovGuam should implement more stringent controls over fuel purchases to mitigate the risk of abuse and fraud.





We found \$184K in questioned costs and \$167K in lost savings:

- Nearly 50% of GovGuam agencies do not reconcile fuel billings to actual fuel receipts in order to ensure accuracy of payment;
- GovGuam, GWA, and UOG paid more per gallon of regular fuel and diesel fuel in FY 2011 compared to GPA, resulting in lost savings of \$167K in FY 2011;
- GovGuam purchased \$11K of unauthorized premium fuel; and
- UOG has an undocumented contract with its current fuel vendor that has been in place for an undetermined period of time, resulting in questioned costs of \$174K.

These conditions occurred because no one at DOA, GSA, or any of the agencies is properly monitoring and analyzing fuel purchases.

We recommend the following:

1. All agencies conduct monthly reconciliation of fuel billings to actual receipts to ensure accuracy of fuel charges;
2. DOA, GSA, GWA, and UOG coordinate with GPA in providing assistance on monitoring fuel prices;
3. DOA and GSA require all agencies to re-evaluate and assess the need to purchase premium fuel and work with fuel vendors to improve controls to prevent unauthorized premium fuel purchases; and
4. UOG comply with procurement regulations and issue an Invitation for Bid for fuel immediately.

### **Report No. 12-08: Guam DOE's Cash Collections over School Meals Program**

There is a risk for theft of cash and underreporting of school meals reimbursement requests made to the U.S. Department of Agriculture.



We found:

- No assurance that meals served were accurately reported and all cash was collected, resulting in questioned costs of \$25K;
- No one in charge of the overall program; and
- Fluctuations in cash collections and a decline in the number of meals served.

These conditions occurred due to the lack of oversight and monitoring of meals served at point-of-service in the schools, no established standard operating procedures for meals served and cash collected, and no oversight of the entire school meals program in GDOE.

We recommended for GDOE:

1. Develop an official policy for accounting meals and collecting cash inclusive of standard formal training
2. Require GDOE Business Office and FNSMD to reconcile the Cash Receipts Report and Summary of Monthly Meal Count Reports, and
3. Designate a person to be responsible for the overall school meals program.

### **Report No. 12-09: OPA's Status of Recommendations**

Between calendar years (CY) 2010 and 2011, the OPA issued 21 audit reports that focused on fund accountability, program efficiency and effectiveness, procurement, personnel, non-appropriated funds, and suspected fraud



and abuse.

The 21 reports collectively identified \$33.9M in financial impact, of which \$23.6M were questioned costs, \$271K were unrealized revenues, and \$10M were other financial impact, such as:

- the significant cost of non-productive pay (\$6.3M);
- lack of controls over cash receipts (\$1.6M);
- inequitable benefits (\$845K);
- quarterly reports not reviewed for accuracy and completeness (\$619K);
- lost opportunity income and mis-assessment of fees (\$604K) and others.

We made 77 recommendations to help improve the overall operations of the audited entities.

As of September 2012, 27 recommendations (35%) were addressed by agency corrective action plans or otherwise closed by the auditees where 50 recommendations (65%) remain open. This is the third report OPA has issued on OPA recommendations. The U.S. Government Accountability Office found that it takes up to four years for an agency to implement audit recommendations.

### 2013 Audit Work Plan

OPA annually develops an Audit Work Plan to determine which government entities and programs to review. OPA has implemented a new system of review wherein auditors assess various audit topics and rank each selection on the basis of the following factors:

- Financial Impact (Lost Revenue, Cost Savings)
- Program Risk
- Leadership Interest
- Public Concern and Social Impact
- Known or Reported Problem

Each factor is assigned a weighted percentage, then scored individually by the auditors, and averaged to determine priority ranking. This process ensures objective results and aids OPA in making decisions of where to invest its limited resources.

Our 2013 plan includes:

1. Guam Economic Development Authority's Qualifying Certificate Program;
2. Department of Revenue and Taxation's Gross Receipts Tax Exemptions;
3. Department of Revenue and Taxation's Real Property Tax Comparison;
4. Guam Memorial Hospital Authority's Personnel Analysis – Part B – Compensation Below \$100K; and
5. Government of Guam Merit Bonus

Our Work Plan is a guide and not necessarily limited to the aforementioned audits. We have allowed for flexibility and may initiate other audits based on priority, requests from elected officials, and staff availability. We encourage the people of Guam to provide input as to what government agency or program they feel should be audited.

### Performance Audit Summary

Since 2001, OPA issued 129 performance audit reports, made 605 recommendations, and identified \$147.5 million (M) in financial impacts. Refer to the table below for a summary.

Year	Reports Issued	Recommendations Issued	Financial Impact
2012	9	24	\$ 4.3M
2011	12	39	\$11.2M
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	10	77	\$26.8M
2002	9	96	3.3M
2001	3	31	\$350K
	<b>129</b>	<b>606</b>	<b>\$147.5M</b>



# Marianas Variety

The Local & Regional Newspaper

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## DMR withdraws bid appeal

By Zita Y. Taitano  
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Variety News Staff

DATA Management Resources (DMR) LLC has withdrawn its appeal with prejudice against the government of Guam for rejecting its point-of-sale system offer earlier this year.

Taitano Terlaje, in a statement, said her client's decision to withdraw its appeal was a business decision because "it has lost all faith that this appeal process will resolve the matter expeditiously and without continued protracted litigation." The company also didn't think it was feasible for them to be part of a

*"The facts are that the government of Guam, vis-a-vis the Department of Administration, had only originally budgeted about \$388,000 for this procurement and could not afford DMR's best and final offer*



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## OPA denies GDOE AC contract appeal

By Louella Losinio  
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Variety News Staff

THE Office of Public Accountability has denied the appeal filed by J&B Modern Tech protesting the awarding of a Guam Department of Education contract for air-conditioning maintenance and repair at 35 public schools.

In protesting the bidding results, J&B said JRN should be disqualified as a "non-responsive bidder" for its alleged failure to submit certifications from the Guam Contractors Licensing Board. But the OPA ruled that JRN's bid complied with the invitation for bid (IFB) requirement to submit valid certificates

## OPA upholds DOE decision for A/C repair

Posted: Nov 23, 2012 11:15 AM  
Updated: Nov 23, 2012 11:17 AM

by Krystal Paco

Guam - Things will be cooling down in classrooms around the island. T Accountability upheld the Department of Education's decision to award Contracting and Refrigeration, Inc. The department is paying for the maintenance and minor repairs for split and island's schools.

JRN was, in fact, the lowest bidder at close \$831,000.

DoE facilities and maintenance manager Bill there are 400 A/Cs in need of repair throughout each classroom.



## GovGuam Health Plan Appeals Dismissed; Too Late to Resolve This FY; SelectCare Remains Provider, For Now



## DOE didn't comply with procurement law, says OPA

Posted: Oct 11, 2012 3:31 PM  
Updated: Oct 11, 2012 3:36 PM

by Mindy Aguon

Guam - The Public Auditor has affirmed the DOE bid for student and teacher laptop computer. Auditor Doris Flores Brooks noted that Pacific actions. PDS filed the protest, alleging the products they had been submitted.

While DOE erred in complying with applicable law, the Public Auditor found that it was in the best interest of the government to nullify that decision would result in a loss of Recovery Act funding to the department. Acco cannot appeal or seek judicial review.



## VIDEO: Public Auditor Says Weak Procurement Law To Blame for Dismissal of Medallion Protest Appeal

Last Updated on Wednesday, 04 April 2013 20:22



## Procurement Appeals Overview

Nineteen procurement appeals were brought before the Public Auditor in 2012. Of the 19 appeals, eight received decisions, three were withdrawn, one dismissed, and seven were resolved through stipulated agreements.

APPEALS	2012
<b>DECISIONS</b>	
Denied	7
Upheld and Denied In Part	1
<b>Subtotal:</b>	<b>8</b>
<b>DISMISSALS</b>	
Appeal withdrawn	3
No Protest Decision	1
Stipulation Agreement	7
<b>Subtotal:</b>	<b>11</b>
<b>TOTAL APPEALS FILED:</b>	<b>19</b>

The appeals ranged from low income tax credits to telecommunications, landscaping, laptop computers, internet services, etc. Two appeals were ARRA related and decided within 15 days. Three appeals were withdrawn by the appellants, but it took appellants over 100 days to withdraw. For example, after several days of exhausting testimonies, OPA-PA-12-007, Data Management Resources (DMR) versus GSA, DMR withdrew after 280 days. Of the eight decisions issued, they ranged from 15 days to 149 days for an average of 73 days.

There were two decisions that were time sensitive, with mandated deadlines of 15 days, due to ARRA funding. By applying tremendous staff resources, OPA was able to meet the 15-day deadline.

GSA had the most appeals, a total of 12 out of the 19 filed in 2012, followed by DOE with four appeals.

## Summary of Appeals

Eighty-eight appeals have been filed with the OPA since our office was mandated with this responsibility in October 2006. Of the 88 appeals, 46 decisions were issued and 42 were dismissed. Dismissals can range from stipulated agreements, appeals withdrawn, or Public Auditor recusal.

Of the 46 decisions issued, 18 favored the appellant, 22 favored the government, and six were split. Of the 42 dismissals, 17 resulted from mutual agreement between the appellant and purchasing agency, nine from appellant withdrawing the appeal, six from the Public Auditor's recusal, and six lacked the purchasing agency's decision on the appellant's protest. For OPA to review an appeal, the agency must first deny the protest of the vendor. Refer to the following table below for a summary and Appendix 2 for more details.

APPEALS	Totals
<b>DECISIONS</b>	
Denied	22
Upheld	18
Upheld and Denied In Part	6
<b>Subtotal:</b>	<b>46</b>
<b>DISMISSALS</b>	
Stipulation Agreement	17
Appeal withdrawn	9
PA Recusal	6
No Protest Decision	6
Moved to Superior Court	2
Cancel/Re-issue Bid	1
Untimely Notice of Appeal	1
<b>Subtotal:</b>	<b>42</b>
<b>TOTAL APPEALS FILED:</b>	<b>88</b>

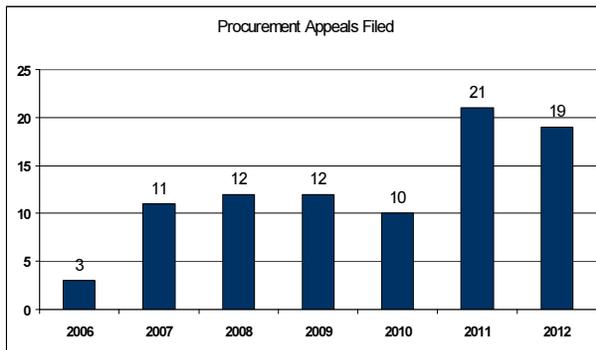
Based on issues raised from procurement appeals, the Public Auditor concluded that there is a significant lack of understanding of the procurement process among those charged with procurement responsibilities. More training is needed to ensure compliance with the complicated procurement laws,



rules, and regulations.

Of the 88 appeals filed at OPA, GSA had the most with 24 appeals, followed by DOE with 23 appeals. GMH and Port Authority of Guam had five appeals each, followed by DPW, GHURA, GIAA, GPA, and UOG with four each.

Prior to 2011 and 2012, OPA averaged approximately 12 appeals per year.



## Procurement Appeals Cost Savings

From FY 2006 to FY 2009, Procurement Appeals was a separate division within OPA and had a separate appropriation. Since FY 2010, the budget for Procurement Appeals became part of OPA's total budget. The cost savings and other benefits of this budget arrangement include:

- OPA staff provides administrative support, including back-up personnel when on leave, becoming knowledgeable of the appeals process;
- Common use of OPA equipment, telephone and fax numbers, fax and copy machines, and the website;
- OPA audits provide historical perspective of procurement; and
- Use of contracted attorneys on an as-needed basis, with Attorney Anthony R. Camacho serving as OPA's primary Hearing Officer.

## Procurement Appeals Hearing Room

OPA's Procurement Appeals Hearing Room provides adequate space for OPA to conduct procurement appeal hearings. The Procurement Appeals Hearing Room has also been made available to government agencies for their official use. OPA, DOE, Guam Fire Department, Office of Senator Chris Duenas, Education Financial Supervisory Commission (EFSC), and the Parole Board have used the space to conduct training classes or other government-related planning events, and to hold meetings or civil weddings.

## Procurement Advisory Council

In September 2011, P.L. 31-93 established the Guam Procurement Advisory Council (Council) to research, evaluate, analyze, review, and make recommendations to improve, address, and modernize government procurement and contracting. The Public Auditor or her designee is a member of the Council. The Public Auditor has advocated procurement reform. The council is now the mechanism reviewing comprehensive procurement reform.

Council activities thus far consist of the following:

1. Requested a moratorium on any proposed changes to the Guam Procurement Law and Regulations;
2. Held extensive town hall meetings with government agencies and private contractors to hear concerns regarding Gov-Guam procurement; and
3. Issued first report in February 2013.



## GCC gets unqualified clean opinion audit

Posted: Mar 05, 2012 10:41 AM  
Updated: Mar 05, 2012 2:02 PM

by [Nick Delgado](#)

Guam - The Guam Community College got an unqualified clean opinion by the Office of Public Accounta compliance and increase in net

The OPA report increase offsets support and pla dealing with the

By Joy White  
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Variety News Staff

IN ORDER to offset cutbacks from the government of Guam, the Guam Educational Telecom-

to \$1.95 million in 2011. Local government funds made up 31 percent of PBS Guam's revenues or \$553,000, while 48 percent came from grants. However, from 2011 to 2012

tual services, and development and promotion. Also, PBS Guam saw an increase in contributions, interest, and in-kind contributions.

OPA said the corporation saw 3,322 decrease in net assets ear. IS Guam continues to rely National Telecommunica- and Information Adminis- n Grants, which provided ,000.



## Guam Preservation Trust didn't curb expenses

Posted: Mar 07, 2012 1:58 PM  
Updated: Mar 07, 2012 1:58 PM

by [Sabrina Salas Matanane](#)

Guam - Although the Guam Preservation Trust last fiscal grant projects over \$5,000, the Guam Office of Public A exercise restraint to reduce administrative and operating audit released today, supporting services rose nearly do



## Latest audit of GWA shows less water leaks

By Janela Buhain Carrera  
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Variety News Staff

THE Guam Waterworks Authority reported that water eaks on the island, an issue hat has plagued the agency hroughout history, has declined.

The Office of Public Accountability completed n audit of GWA, which was eleased yesterday. According to the OPA, GWA recently dopted a Water Audit Program nd Water Loss Control Plan ine with the American Water Works Association water loss nd audit standards, which has id the groundwork for repair- ing leaks.

GWA additionally reported that the implementation of the leak detection system has also caused a decline in the need to purchase water from the U.S. Navy.

this increase to administra- tive and general expenses and retiree health costs.

One major loss the water agency experienced was in having to pay for interest expenses due to a revenue bond. The interest "more than doubled," going from \$4.7 million in interest to \$11.4 million.

"Future rate increases will

## GEDA's assets decreased in 2011

Posted: Mar 06, 2012 1:42 PM  
Updated: Mar 06, 2012 1:42 PM

by [Nick Delgado](#)

Guam - The Guam Economic Development Authority may have received a but the agency closed Fiscal Year 2011 with a decrease in net assets of \$ Revenues also decreased by 5% while expenses increased by 12%. According to an

## Japan visitor arrivals down, but TAF revenues still up

By Janela Buhain Carrera  
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Variety News Staff

DESPITE the disasters in Japan that resulted in a decline in tourist revenues and arrivals on Guam, the latest Office of Public Accountability audit shows the Tourist Attraction Fund managed to close last fiscal year with an increase in revenues.

According to OPA, Japan arrivals were down by about 7 percent in FY2011.

All in all, however, the TAF saw an increase in revenues by



According to the Office of Public Accountability, Japan arrivals were down by about 7 percent in Fiscal Year 2011. Despite this, OPA's latest audit showed the Tourist Attraction Fund still managed to close last fiscal year with an increase

According to GVB, Russian visitors to Guam increased 1127 percent in February 2012 compared to the same month last year. A total of 124 more Russian visitors arrived in February this year compared to last year. GVB reported there were 135 arrivals in February 2012 while the same period last year had only 11 arrivals.

A delegation from GVB and the Marianas Visitors Authority recently traveled to Russia to tout the region as the ideal travel destination at the Moscow

"We're pleased to see a major increase in visitor arrivals from Russia thanks to the visa waiver," Calvo said. "While the numbers in terms of volume are not that large, the Russian visitors stay longer and spend more, which really boosts our local economy, creating new jobs and opportunities for our people. We'll continue to develop this new market while we continue to push for the China visa waiver."

The governor has also encouraged collaboration between the islands in marketing the region



## Financial Audits Overview

Title 1 G.C.A. §1909(a) requires all departments, agencies, and instrumentalities to issue an annual financial audit no later than nine months after the end of the fiscal year (i.e. June 30th). The OPA staff monitors and oversees the work of the contracted audit firms to ensure the timely completion of financial audits. In 2012, of the 22 financial audits, 13 were issued within six months after fiscal year end, eight were issued within nine months, and one was issued after 12 months. Refer to the table below for a summary.

In line with OPA’s vision that Guam is the model for good governance in the Pacific, OPA also strives to improve the timely issuance of the government wide financial audit and its component units to six months. Gov-Guam would join over 40 states and over 3,600 jurisdictions, cities, and counties, who issue their audits within six months after fiscal year end. In addition, OPA has been working with DOA for DOA to issue a Comprehensive Annual Financial Report (CAFR) as required by the Organic Act. Issuing the

government audits in six months, and issuing a CAFR, GovGuam would then be eligible to receive a Certificate of Excellence from the Government Finance Officers Association (GFOA).

Over the years, we have seen improvements in most government agencies financial audits. The audits were issued with less questioned costs and management comments.

In an “unqualified or clean” opinion, the independent auditor states that the financial statements are fairly presented in all material respects in conformity with generally accepted accounting principles (GAAP). Meanwhile, in a “qualified” opinion, the auditor expresses reservations about the fair presentation of the financial statements in conformity with GAAP. All entities have unqualified or “clean” opinions on the financial statements, except for the Non-Appropriated Funds (NAF) audits of DCA, MCOG, and LDC.

### Financial Reporting Compliance

All agencies undergo a review on internal control over financial reporting and compliance and other matters. In 2012, there were

#	Auditee	Issue Date	Financial Statement	Compliance Findings		Federal Awards Findings (A-133)			Total # of Findings	Total Questioned Costs	Management Comments
			Opinion	# of Material Weaknesses	# of Significant Deficiencies	Opinion	# of Material Weaknesses	# of Significant Deficiencies			
1	GIAA	01/26/12	Unqualified	0	0	Unqualified	0	2	2	\$ 50,000	9
2	PAG	01/30/12	Unqualified	0	0	Unqualified	0	4	4	\$ -	4
3	GHC	02/07/12	Unqualified	0	1	N/A	N/A	N/A	1	\$ -	5
4	KGTF (PBS Guam)	02/22/12	Unqualified	0	0	N/A	N/A	N/A	0	\$ -	1
5	UOG	02/29/12	Unqualified	0	0	Qualified	1	1	2	\$ -	0
6	GGRF	03/01/12	Unqualified	0	0	N/A	N/A	N/A	0	\$ -	0
7	GVB	03/02/12	Unqualified	0	0	N/A	N/A	N/A	0	\$ -	1
8	GCC	03/05/12	Unqualified	0	0	Unqualified	0	1	1	\$ -	0
9	GEDA	03/06/12	Unqualified	0	0	N/A	N/A	N/A	0	\$ -	0
10	GPT	03/07/12	Unqualified	0	1	N/A	N/A	N/A	1	\$ -	2
11	DCA	03/11/12	Qualified	2	2	N/A	N/A	N/A	4	\$ -	0
12	GPA	03/27/12	Unqualified	0	1	Unqualified	0	0	1	\$ -	8
13	GMH	03/28/12	Unqualified	3	0	Qualified	1	0	4	\$ 21,817	10
14	TAF	04/03/12	Unqualified	0	0	N/A	N/A	N/A	0	\$ -	0
15	MCOG	04/12/12	Qualified	1	2	N/A	N/A	N/A	3	\$ -	6
16	THF	04/16/12	Unqualified	0	2	N/A	N/A	N/A	2	\$ -	0
17	GWA	04/23/12	Unqualified	0	0	Unqualified	0	0	0	\$ -	3
18	LDC	04/25/12	Qualified	1	1	N/A	N/A	N/A	2	\$ -	10
19	GHURA	06/26/12	Unqualified	0	0	Unqualified	0	3	3	\$ -	2
20	DOE	06/29/12	Unqualified	6	0	Qualified	0	1	7	\$ -	0
21	Gov Guam	07/03/12, 07/05/12	Unqualified	5	1	Qualified	3	1	10	\$ 41,790	5
22	SWOF	12/03/12	Unqualified	0	1	N/A	N/A	N/A	1	\$ -	5
<b>Totals</b>				<b>18</b>	<b>12</b>		<b>5</b>	<b>13</b>	<b>48</b>	<b>\$ 113,607</b>	<b>71</b>
<b>Totals since 2001</b>									<b>1,818</b>	<b>\$ 63,295,859</b>	<b>536</b>



18 material weaknesses and 12 significant deficiencies over financial reporting compliance. The six Agencies identified to have material weakness and/or significant deficiencies over financial reporting and compliance and other matters were as follows:

1. GovGuam had five material weaknesses and one significant deficiency. The material weaknesses pertained to GovGuam's continued struggle with recording and maintaining fixed assets, inability to close its books timely, and DRT's inability to determine the amount of income tax liability on a regular basis;
2. DOE had six material weaknesses pertaining to lack of validity of journal vouchers, inappropriate recording of goods and services, general ledger balances not timely reconciled, and lack of evaluation for budgetary accounts carried forward.
3. GMH had three material weaknesses pertaining to lack of action and measures being undertaken to collect and address long outstanding patient receivables, lack of perpetual pharmaceutical inventory, and untimely billing of patient receivables;
4. DCA had two material weakness and two significant deficiencies. The material weaknesses pertained to lack of internal control system for the preparation of financial statements and noncompliance with procurement and travel policy;
5. MCOG had one material weakness and two significant deficiencies. The material weakness pertained to lack of accounting and financial reporting policies and procedures;
6. LDC had one material weakness and one significant deficiency. The material weakness pertained to lack of accounting and financial reporting policies and procedures;

In addition, THF, GHC, GPT, GPA, and SWOF had significant deficiencies.

### *Single Audit Compliance*

In addition, agencies that expend more than \$500,000 in federal grants are subject to an A-133 Single Audit. For FY 2011, there were ten agencies that had to undergo a Single Audit. Of the ten four entities received qualified opinions due to material weaknesses. The entities with qualified opinions and material weakness and/or significant deficiencies are as follows:

1. GovGuam had three material weaknesses and one significant deficiency. The material weaknesses pertained to lack of reports and physical inventory of equipment. In addition, the Department of Public Health and Social Services not utilizing the Income Eligibility Verification System to determine income and resource eligibility of its welfare program applicants.;
2. GMHA had one material weakness pertaining to a contract not being awarded to the lowest and most responsive bidder;
3. UOG had one material weakness pertaining to Student Financial Aid and one significant deficiency; and
4. DOE had one significant deficiency.

Material weaknesses and significant deficiencies can occur in either or both the compliance report over financial reporting or the A-133 Single Audit, or in both.

### *Questioned Costs*

Of the 22 financial audits, only three had questioned costs: GIAA (\$50K), GMHA (\$22K) and GovGuam (\$42K). The questioned cost for GIAA was due to the ineligible cost associated with the installation of a new water system. The questioned cost for GMHA was due to contract not awarded to the lowest and most responsive bidder. The questioned cost for GovGuam was due to ineligible welfare program recipients.



OPA works with DOA and the autonomous agencies to resolve questioned costs. In FY 2011, DOA resolved \$927K in questioned costs, leaving \$1.4M in unresolved costs for the General Fund.

*Management Letter*

In addition, auditors issued 14 management letters identifying a total of 71 management comments in 2012. GMHA and LDC received the most comments, ten each. GIAA had the next highest total comments of nine, followed by GPA with eight management comments.

**Summary of Financial Audits**

Since 2001, OPA provided oversight to 222 financial audit reports which identified 1,817 findings and \$63.3M in questioned costs. Refer to the table below for a summary.

Calendar Year	# of Reports	# of Findings	Questioned Costs
2012	22	47	\$ 114K
2011	19	40	\$ 854K
2010	18	47	\$ 204K
2009	18	70	\$ 3.1M
2008	18	88	\$ 3.3M
2007	18	136	\$ 4.1M
2006	18	188	\$ 4.4M
2005	26	236	\$ 2.2M
2004	25	485	\$ 13.1M
2003	15	260	\$ 22M
2002	14	181	\$ 10.1M
2001	11	39	\$ 15K
<b>Totals</b>	<b>222</b>	<b>1,817</b>	<b>\$63.3M</b>

**Procurement of Financial Audits**

Title 1 G.C.A. §1908 provides the Public Auditor the authority to acquire the services of independent audit firms to conduct financial audits. OPA procures financial audits through a Request for Proposal (RFP). OPA encourages all Certified Public Accounting (CPA) firms willing and capable of conducting government financial audits to respond to our RFPs by submitting proposals.

In 2012, OPA issued RFPs for the FY 2011 and FY 2012 financial audits of the:

1. Guam Preservation Trust;
2. Guam Economic Development Authority;
3. Port Authority of Guam;
4. Chamorro Land Trust Commission and Guam Ancestral Lands Commission;
5. University of Guam;
6. GovGuam Retirement Fund;
7. Government of Guam;
8. Department of Chamorro Affairs; and
9. Tourist Attraction Fund and Territorial Highway Fund.

**GovGuam Deficit**

GovGuam ended FY 2011 with an operating deficit of \$47M: operating revenues were \$543M while expenditures totaled \$592M. Meanwhile, the cumulative deficit decreased to \$303M due to GDOE’s unexpended ARRA funds of \$59M and miscellaneous funds of \$6M. GDOE’s ARRA funds will be expended for school capital improvement projects in FY 2013. OPA continues to monitor the general fund deficit and through its audits has identified revenue leakage and cost savings.

Deficit spending should come as no surprise as for the past decade, GovGuam has authorized deficit spending. For FY 2011, the authorized deficit was \$48.4M.



OPA staff at their 2012 Thanksgiving luncheon.



## OPA Website

Since January 2002, the OPA website ([www.guamopa.org](http://www.guamopa.org)) continues to be an important source of reliable transparent information about the financial condition of our government. All OPA audit reports, financial audits, procurement appeals, ARRA guidance, and CCR reporting requirements are posted along with other information about OPA. Refer to Appendix 3 for this year's OPA Website in Review.

OPA uses Google Analytics to gather information of website activity and uses visits instead of hits for a more accurate measurement of website activity. In 2012, the OPA website had 16,734 visits. Refer to the table below for a summary of 2012 website statistics.

Months	Visits	Unique Visitors	Pageviews
January	1,239	714	3,832
February	1,184	620	3,753
March	1,543	721	7,678
April	1,554	697	5,957
May	1,199	620	4,828
June	1,111	564	3,866
July	1,573	754	5,303
August	1,397	748	5,341
September	1,280	653	4,560
October	1,693	748	5,782
November	1,580	795	4,969
December	1,381	736	4,645
<b>Totals</b>	<b>16,734</b>	<b>8,370</b>	<b>60,514</b>

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 recording of each monthly Board and Commission meeting to OPA within seven calendar days after the meeting. OPA post audio files on its website upon receipt. Since then, OPA has posted the audio files of 33 Boards and Commissions. Hosting these audio records

consumes valuable but limited space on the OPA server. Accordingly, OPA requests the audio files be posted on the website of the agency with the Board or Commission and only a link to the audio to be posted on the OPA website.

## Legislative Mandates

In addition to financial oversight responsibilities and audit activities, the Public Auditor and the OPA received several requests and legislative mandates to partake in or review other government-related activities.

As of December 2012, 105 legislative mandates have expanded the Public Auditor and OPA's duties and responsibilities. Of the 105 mandates, we have addressed 57 and 48 remain open as recurring mandates. Refer to OPA's website for complete list of Legislative Mandates.

## OPA Hotline (47AUDIT; 472-8348)

The OPA Hotline continues to be an effective confidential avenue for citizens to communicate questions and/or concerns about possible government waste, abuse, or fraud. Hotline tips help OPA assess areas of risks in the government and determine where to focus resources. We assure the public that all information provided to us is held in the strictest confidence.

The OPA staff addressed all 23 hotline tips received in 2012. OPA will continue to address hotline tips as a collateral duty and provide timely responses.

OPA received a total of 1,205 hotline tips since the establishment of the OPA Hotline in 2001. The number of hotline tips received ranged from a high of 177 tips in 2004 to a low of 30 tips in 2011. Refer to Appendix 5 for more details.



Anyone who wishes to submit a hotline tip or express a concern may do so by:

- Calling the OPA Hotline at 47AUDIT (472-8348);
- Faxing sufficient and relevant information to 472-7951;
- Visiting the OPA website at [www.guamopa.org](http://www.guamopa.org); or
- Contacting any of the OPA staff by phone at 475-0390 or in person.

## Staff & Time Composition

As of December 31, 2012, OPA had 12 full-time staff consisting of:

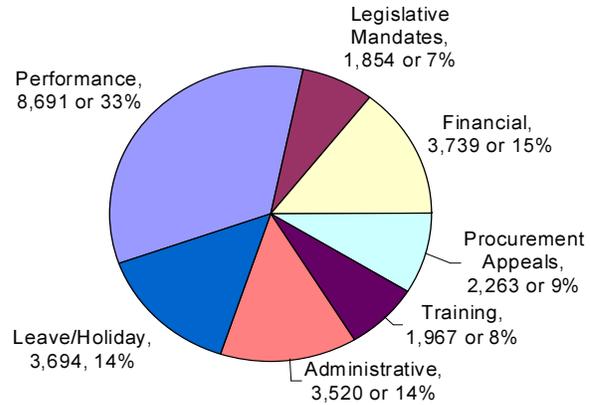
- Public Auditor;
- Chief Auditor;
- Three Auditor IIIs;
- Six Auditor Is; and
- One Administrative Officer.

Refer to Appendix 5 for OPA’s Organizational Chart.

OPA’s audit staff have the following certifications and degrees, some with two or more:

- Two Certified Public Accountants (CPA);
- One Certified Internal Auditor (CIA);
- Two Certified Government Financial Managers (CGFM);
- Three Certified Government Auditing Professionals (CGAP);
- One Chartered Global Management Accountant (CGMA);
- Two Masters in Business Administration
- One Master of Public Administration; and
- All staff have a Bachelor’s Degree.

In 2012, the OPA staff spent 12,430 hours or 48% on performance, financial, other audits and reviews. The staff also spent 2,263 hours or 9% on procurement appeals, and 1,854 hours or 7% attending to legislative mandates. The remaining hours were spent on staff training, administration, government holidays and leave.



## Staff Development

The U.S. Government Accountability Office’s 2011 “Government Auditing Standards” require auditors to complete 80 hours of CPE every two years, of which 24 CPE hours must be related to government auditing or the government environment. CPE hours are mandatory for the maintenance of professional competence. Title 5 G.C.A. §20304 also requires CPE hours for all government auditors and accountants.

Since taking office, the Public Auditor has been a strong proponent for continuing professional development and compliance with the highest standards of the auditing profession. To this end, she has made every effort to secure training opportunities for all staff. OPA auditors averaged 124 CPE hours in 2012, which is largely funded by the DOI OIA Training Grant.

DOI-OIA Training Grant. Working with DOI-OIA, the OPA received Grant No. TA-Guam-OPA-2012-8 in May 2012, which provided \$76K in financial assistance for the professional development of the OPA auditors. The grant expires on December 31, 2013.

The training grant’s primary purpose has been to send auditors to the DOI OIG intern-



ships, and fund local training seminars and certain off-island conferences. The grant funded most training attended by OPA staff in 2012.

Conferences and Trainings Attended. In 2012, the OPA staff attended several trainings sponsored by: the Association of Government Accountants, PASAI, APIPA, Graduate School, ALGA, GFOA, NSAA, and other relevant trainings.

### **Professional Achievements**

On February 2, 2012, Auditor III Vincent Duenas became a CGAP. The CGAP is a specialty certification designed for and by public sector internal auditing practitioners and tests the knowledge of the unique features of public-sector internal auditing.

### **Difficulty in Recruitment and Retention**

OPA's highest staff complement was 18 full-time staff in 2006. As of December 31, 2012, OPA had 12 full-time staff composed of ten auditors, one Administrative Officer, and the Public Auditor. Of the 11 auditors, six are recently hired with an average of less than three years audit experience. The remaining four are senior auditors with an average of nine years audit experience. There is a gap of six years of audit experience between the junior and senior auditors.

From January to March 2012, OPA lost three full-time staff consisting of one Auditor III, one Audit Supervisor, and one Management Analyst III. Overall, OPA faced a 27% reduction in staff from 18 full-time staff in 2006 to 13 full-time staff in 2012.

OPA faces difficulty in recruiting new staff due to the bureaucratic and lengthy hiring process. OPA has continuous announcements for Auditors I, II, and III and Paralegal II

since April 2011. However, it was only in February 2013 that OPA hired one new Auditor I.

OPA faces difficulty in retaining senior staff due to the low pay compensation package. OPA competes with other government agencies, the federal government, and the private sector. However, OPA is unable to offer attractive salaries to retain senior level audit staff.

### **University of Guam Internship**

OPA continued its partnership with the University of Guam Accounting Internship program. The internship program's purpose is to provide an opportunity for students to gain a better understanding of accounting and audit principles, concepts, procedures, and techniques under the Government Auditing Standards. We encourage accounting students to apply for an internship with the OPA.

In 2012, Ashley Gaerlan, and Michele Brillante completed 150 hours of service with OPA. Ashley assisted with the performance audit of GSA Gas Fleet Card Program and with the OPA FY 2011 Citizen Centric Report. Michele assisted with the DOE Cash Controls over School Meals Program. Rodalyn Gerardo was OPA's first intern back in 2003, and is now OPA's senior manager.



OPA staff with interns Michele Brillante and Ashley Gaerlan at the interns appreciations luncheon.



PASAI

The Pacific Association of Supreme Audit Institutions (PASAI) is the regional organization of 26 audit institutions in the Pacific. Guam has been a member of PASAI since 2005.

OPA Staff have attended several trainings and workshops sponsored and funded by PASAI. These courses emphasize the skills needed to develop objective, accurate, complete and timely assessments of government entities and programs.

In addition, OPA Staff have participated in working groups aimed at creating guidelines under the Pacific Regional Audit Initiative (PRAI).

In 2012, OPA auditors assisted with the development of the performance audit manual which was adopted and released by PASAI.



OPA Auditor III Llewelyn Terlaje being recognized as instructor for SMOG Training.

Recognizing her abilities, PASAI invited Auditor III Llewelyn Terlaje to be an Instructor for PASAI’s Strategic Management and Operational Guidelines (SMOG) training held in Nadi, Fiji in December 2012. The SMOG will assist audit institutions to develop their strategic, corporate, and business work/plans, and formulate operation rules appropriate to their jurisdictions.

Guam OPA will host the 16th PASAI Congress in September 2013.



*15th Congress of the Pacific Association of Supreme Audit Institutions (PASAI)*

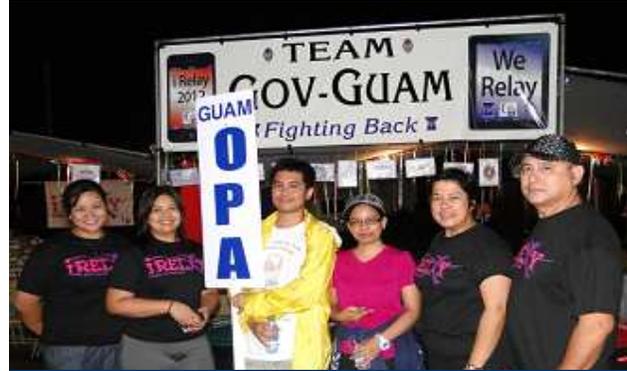
*2nd – 5th OCTOBER 2012 - New Caledonia*



## Public Outreach & Others

Increasing public awareness, improving government efficiency and effectiveness, and promoting better understanding of OPA’s mission, work, and impact are important aspects of our Strategic Plan. We strive to build good relations with those charged with governance.

OPA staff participated in various community and outreach efforts such as: serving food for the needy twice at the Kusinan Kamalen Karidat, making presentations at the Vicente Benavente Middle School and the Okkodo High School Career Days, running and donating for the Relay for Life, sponsoring two company tours for the University of Guam’s Junior Accountants Society, and bell-ringing for the Salvation Army.



OPA Auditors and their family members at the 2012 American Cancer Society Relay for Life



Auditors Llewelyn Terlaje, Jocelyn Untalan and Joy Bulatao at the Salvation Army Annual Bell Ringing



Auditors Jocelyn Untalan and Joy Bulatao present at Okkodo High School Career Day



OPA staff at the Jungle River Boat Cruise for 2012 staff outing.



Auditors Travis Carbon, Joy Bulatao, Llewelyn Terlaje and Franklin Cooper-Nurse at Kusinan Kamalen Karidat

## Public Testimonials

OPA thanks all those who took the initiative to contact our office, share information and compliment us.

*“I would like to thank you all for a great internship experience. I enjoyed the work environment and I am glad that I was given the opportunity to intern at OPA. It was a pleasure working with you all.”*



Office of Public Accountability  
 Government of Guam  
 Statement of Net Assets  
 Years Ended September 30, 2012 and 2011

	2012 (Unaudited)	2011
<u>ASSETS</u>		
Cash and cash equivalents	\$ 436,600	\$ 395,346
Receivables, net:		
Federal Agencies	16,554	3,844
Travel Due from OPA Staff	-	24,520
Other - DOA Appropriation	-	326,067 <sup>3</sup>
Total Receivables	<u>16,554</u>	<u>354,431</u>
Capital Assets	147,549	191,883
Less Accumulated Depreciation	<u>(130,018)</u>	<u>(146,743)</u>
Total Capital Assets:	<u>17,530</u>	<u>25,348</u>
Total Assets	<u>\$ 470,684</u>	<u>\$ 775,125</u>
<u>LIABILITIES AND FUND BALANCES (DEFICIT)</u>		
Accrued Annual and Sick Leave	\$ 70,102 <sup>2</sup>	\$ 73,162 <sup>4</sup>
Payable- Other	2,029	1,924
Deferred Revenue - Appropriation	-	326,067
Total Liabilities	<u>72,131</u>	<u>401,153</u>
Fund Balance, End of Quarter	<u>398,554</u>	<u>394,625</u>
Total Liabilities and Fund Balance (Deficit)	<u>\$ 470,685</u>	<u>\$ 795,778</u>

Footnotes:

	FY 2012	FY 2011
<sup>1,3</sup> Personnel Svcs	\$ -	\$ 305,414
Operations	-	20,653
Appropriation Balance	<u>\$ -</u> <sup>1</sup>	<u>\$ 326,067</u> <sup>3</sup>
<sup>2,4</sup> Accrued Sick Leave	\$ 25,324	\$ 26,140
Accrued Annual Leave	44,777	47,022
	<u>\$ 70,102</u> <sup>2</sup>	<u>\$ 73,162</u> <sup>4</sup>



Office of the Public Accountability  
Government of Guam  
Statements of Revenues, Expenses,  
and Changes in Net Assets  
Years Ended September 30, 2012 and 2011

	<b>2012</b> <b>(Unaudited)</b>	<b>2011</b>
Revenues:		
Federal Grants	\$ 35,106	\$ 42,789
Interest Income	4,486	5,496
Other Income	4	-
Total revenues	39,596	48,285
Expenditures by Object:		
Salaries	\$ 586,775	\$ 658,527
Benefits	209,198	225,441
Leave Accrued	(3,060)	4,154
Subtotal:	792,913	888,121
Rent	102,594	102,594
Contractual services	167,416	79,024
Supplies	7,674	7,214
Utilities and Telephone	2,606	5,333
Travel	12,487	7,727
Equipment & Furniture Expensed	8,233	28,949
Training	17,227	15,088
Vehicle Expensed	-	24,929
Depreciation	7,819	9,285
Other	6,627	4,152
Total expenditures	1,125,595	1,172,415
Excess (deficiency) of revenues and appropriations over (under) expenditures	(1,085,999)	(1,124,130)
Other financing sources (uses):		
Transfers In - appropriation received to date	1,125,602	<sup>1</sup> 1,182,070
Federal Grant Expenses - Auditor Technical Assistance	(35,106)	(42,789)
Net change in fund balance	4,497	15,152
Fund balance at beginning of year	394,624	379,472
Fund balance at end of year	\$ 399,122	\$ 394,624

Footnotes:

<sup>1,2</sup> Transfers In from DOA:		
Personnel Svcs - Salaries & Benefits	\$ 795,973	\$ 883,967
Operations	329,629	298,103
Total Transfers In:	\$ 1,125,602	<sup>1</sup> \$ 1,182,070



<b>APPEAL NO: OPA-PA-12-001</b>		Purchasing Agency: GHURA	Appellant: Medallion Guam, LLC
Appeal Relative To: Low Income Housing Tax Credits (LIHTC)		Appeal Value: \$5.4M	
<p><b>Procurement Issue:</b> No protest decision issued by GHURA.</p> <ul style="list-style-type: none"> <li>Medallion was ranked first by the LIHTC Selection Committee on December 14, 2011. However, the GHURA Board removed Medallion from the list of offerors due to issues with "site control" at its December 27, 2011 Board meeting. It was also announced that negotiations were being made with the fourth and fifth ranked offerors.</li> <li>Medallion submitted protest letter to GHURA on December 28, 2011.</li> <li>GHURA responded but has not transmitted a decision to Medallion.</li> </ul>	<p><b>Dismissal:</b> NO PROTEST DECISION.</p> <ul style="list-style-type: none"> <li>GHURA did not provide a Decision on Protest of Method, Solicitation or Award, which is required pursuant to 5 GCA §5245(e) and 2 GAR §12201(a).</li> <li>The Appellant did not wait for GHURA to issue a decision.</li> </ul>		
Appeal Filed: January 20, 2012	Appeal Closed: April 20, 2012	Appeal Duration: 73 days	

<b>APPEAL NO: OPA-PA-12-002, 003, 004, 005, 006, and 009</b>		Purchasing Agency: GSA	Appellant: Pacific Data Systems, Inc (PDS)
Appeal Relative To: Telephone Services		Appeal Value: \$100K (VERIFY)	
<p><b>Procurement Issue:</b> RFQ versus small purchase</p> <ul style="list-style-type: none"> <li>The services requested in the RFQ have already been bid by GSA in GSA-064-11.</li> <li>The total amount of the RFQs exceeds the small purchase procurement threshold of \$15K. GSA allegedly artificially divided the procurement.</li> </ul>	<p><b>Dismissal:</b> STIPULATION AGREEMENT.</p> <ul style="list-style-type: none"> <li>On May 3, 2012, the appeals were consolidated.</li> <li>On May 18, 2012, a stipulation agreement was reached between the parties. GSA agreed to cancel the RFQs and issue RFQs for small purchases only to cover GovGuam telecommunication needs until the end of FY 2012 or the implementation of service under GSA-064-11.</li> </ul>		
Appeal Filed: March 28, 2012	Appeal Closed: May 18, 2012	Appeal Duration: 51 days	

<b>APPEAL NO: OPA-PA-12-007</b>		Purchasing Agency: GSA	Appellant: Data Management Resources, LLC
Appeal Relative To: Point of Sale		Appeal Value: \$1.3M	
<p><b>Procurement Issue:</b> Good Faith Negotiations and Cancellation</p> <ul style="list-style-type: none"> <li>GSA and DOA allegedly failed to evaluate DMR's best and final offer as "fair and reasonable", and acted in bad faith during cost negotiations by claim of insufficient funds for such project.</li> </ul>	<p><b>Dismissal:</b> APPELLANT WITHDREW.</p> <ul style="list-style-type: none"> <li>After several days of extensive hearings over several months, the appellant DMR withdrew, and the appeal was dismissed with prejudice.</li> </ul>		
Appeal Filed: April 2, 2012	Appeal Closed: January 8, 2013	Appeal Duration: 281 days	



<b>APPEAL NO: OPA-PA-12-008</b>		Purchasing Agency: DOE	Appellant: E.R. Ilaio and Associates, Inc.
Appeal Relative To: Wireless Consultant Services		Appeal Value: \$358K	
<p><b>Procurement Issue:</b> Offeror responsibility.</p> <ul style="list-style-type: none"> <li>• GDOE rejected all proposals after a notice of intent to award was provided.</li> <li>• GDOE claimed that it was impossible for any contractor to perform the services required by December 2011, and all the price proposals received may be stale after the extension of ARRA grant period.</li> </ul>		<p><b>Dismissal:</b> STIPULATION AGREEMENT.</p> <ul style="list-style-type: none"> <li>• A stipulation agreement was reached between parties, and the appeal was dismissed with prejudice.</li> </ul>	
Appeal Filed: April 10, 2012	Appeal Closed: May 9, 2012	Appeal Duration: 29 days	

<b>APPEAL NO: OPA-PA-12-010</b>		Purchasing Agency: DOE	Appellant: Allied Pacific Builders, Inc. (APB)
Appeal Relative To: Structural Repairs and Roof Coating		Appeal Value: \$1.3M	
<p><b>Procurement Issue:</b> Bid responsiveness. Submission of License</p> <ul style="list-style-type: none"> <li>• Mega United Corporation and J&amp;B Modern Tech allegedly were not properly licensed to perform the work required by the IFB.</li> <li>• Bid Opening was faulty because DOE did not read aloud the qualifications of the bidders.</li> <li>• Lowest bid was questioned because the square footage of the bid differed from APB's.</li> </ul>		<p><b>Decision:</b> DENIED.</p> <ul style="list-style-type: none"> <li>• GDOE correctly found that APB's protest had no merit.</li> <li>• The IFB did not require bidders to submit specific licenses.</li> <li>• GDOE complied with 5 GCA §5211(d) and Chapter III, Section 3.9.12.2, GDOE Procurement Regulations.</li> <li>• The sequential design and construction projects solicited by the IFBs allowed bidders to make their own estimates of the work required.</li> </ul>	
Appeal Filed: April 13, 2012	Appeal Closed: July 18, 2012	Appeal Duration: 96 days	

<b>APPEAL NO: OPA-PA-12-011</b>		Purchasing Agency: GSA	Appellant: PDS
Appeal Relative To: Telecommunication Services		Appeal Value: \$779K	
<p><b>Procurement Issue:</b> Lowest Price with application of local preference</p> <ul style="list-style-type: none"> <li>• GSA awarded Bid Form 10 to GTA without considering the 15% local procurement preference submitted by PDS.</li> <li>• GTA did not submit a Local Procurement Preference Application with its bid and therefore, cannot be granted the local procurement preference.</li> </ul>		<p><b>Decision:</b> DENIED.</p> <ul style="list-style-type: none"> <li>• PDS' protest was timely.</li> <li>• The Local Procurement Preference was not a requirement to be qualified for the bid.</li> <li>• PDS was not entitled to a 15% adjustment of its bid price due to its submission of a Local Procurement Preference Application.</li> <li>• Both PDS and Teleguam Holdings, LLC (GTA), as local companies known to GSA, were entitled to a Local Procurement Preference.</li> </ul>	
Appeal Filed: May 17, 2012	Appeal Closed: September 5, 2012	Appeal Duration: 111 days	



<b>APPEAL NO: OPA-PA-12-012</b>		Purchasing Agency: GSA	Appellant: PDS
Appeal Relative To: Telecommunication Services		Appeal Value: \$3.4M	
<p><b>Procurement Issue:</b> No protest decision issued by GSA.</p> <ul style="list-style-type: none"> <li>On April 27, 2012, GSA issued a Bid Status related to the awards for GSA-064-11.</li> <li>PDS filed two protests on April 30, 2012 and May 9, 2012.</li> <li>There were at least three other protests filed by Docomo Pacific, Marianas Cable Vision and IT&amp;E on May 10, 2012.</li> <li>GSA had not issued a decision on PDS's second protest and the other pending protests.</li> </ul>		<p><b>Decision:</b> DENIED IN PART, GRANTED IN PART.</p> <ul style="list-style-type: none"> <li>GSA failed to produce a decision on PDS' protest.</li> <li>Pursuant to 5 GCA §5703 and 2 GAR §12103(a), the Public Auditor ordered the GSA Chief Procurement Officer to issue Decisions on PDS' protest and all other pending protests relevant to GSA-064-11, no later than 30 days and submit said decisions to PDS, the other Protestants, and the Public Auditor.</li> </ul>	
Appeal Filed: August 29, 2012	Appeal Closed: September 28, 2012	Appeal Duration: 30 days	

<b>APPEAL NO: OPA-PA-12-013</b>		Purchasing Agency: DOA	Appellant: Tokio Marine / Calvo's Insurance
Appeal Relative To: FY 2013 Health Insurance		Appeal Value: \$ -	
<p><b>Procurement Issue:</b> Disqualification of Offerors</p> <ul style="list-style-type: none"> <li>DOA allowed two of the four offerors to rectify omissions on their proposals after DOA's evaluation of the proposals.</li> <li>After receipt of three protests, DOA canceled the RFP due to: (1) failure of GovGuam to determine the responsiveness and qualification of proposals, and (2) release of a draft copy of the Evaluation Memorandum to only two offerors.</li> </ul>		<p><b>Dismissal:</b> APPELLANT WITHDREW.</p> <ul style="list-style-type: none"> <li>After several mutually agreed upon hearing dates, The appellant together with the interested parties in February 2013 mutually agreed to withdraw the appeal.</li> </ul>	
Appeal Filed: September 19, 2012	Appeal Closed: February 25, 2013	Appeal Duration: 159 days	

<b>APPEAL NO: OPA-PA-12-014</b>		Purchasing Agency: DOE	Appellant: PDS
Appeal Relative To: Laptops and Computers		Appeal Value: \$2.5M	
<p><b>Procurement Issue:</b> Award to another vendor</p> <ul style="list-style-type: none"> <li>PDS protested directly to OPA of DOE's award to Softchoice as it involved ARRA funds.</li> </ul>		<p><b>Decision:</b> DENIED.</p> <ul style="list-style-type: none"> <li>PDS properly protested GDOE's actions pursuant to 5 GCA §5425.1.</li> <li>There was nothing in the record that selected vendor Softchoice acted fraudulently or in bad faith in submitting its bid.</li> <li>The termination, cancellation, or nullification of GDOE's award to Softchoice would result in a loss to GDOE of over \$2M.</li> <li>It is in the best interests of the Territory that the award to Softchoice be ratified and affirmed.</li> </ul>	
Appeal Filed: September 26, 2012	Appeal Closed: October 11, 2012	Appeal Duration: 15 days	



<b>APPEAL NO: OPA-PA-12-015</b>		Purchasing Agency: GVB	Appellant: G-Crew Maintenance
Appeal Relative To: Tumon Landscape Maintenance		Appeal Value: \$247K	
<p><b>Procurement Issue:</b> Lowest price G-Crew appealed GVB's award to another vendor alleging that G-Crew was the lowest price vendor.</p>	<p><b>Dismissal:</b> APPELLANT WITHDREW.  <ul style="list-style-type: none"> <li>After extensive preparation by OPA staff, the appellant withdrew his appeal during the scheduled formal hearing in January 2013.</li> </ul> </p>		
Appeal Filed: September 27, 2012	Appeal Closed: January 28, 2013	Appeal Duration: 123 days	

<b>APPEAL NO: OPA-PA-12-016, 017, and 018</b>		Purchasing Agency: GSA	Appellants: GTA and PDS
Appeal Relative To: Telecommunication Services		Appeal Value: \$3.4M	
<p><b>Procurement Issue:</b>  12-016 - lowest price telephone  12-017 - bid responsiveness affidavit of ownership  12-018 - lowest overall cost.  <ul style="list-style-type: none"> <li>The appeals were consolidated because each of the appeals arised from protests pertaining to IFB NO. GSA-064-11</li> </ul> <u>OPA-PA-12-016.</u> PDS asserted that GSA erroneously: <ul style="list-style-type: none"> <li>Revised the Bid Status for Bid Forms 2 and 3 when GTA's bid was compliant with the bid specifications;</li> <li>That GTA submitted multiple price offers for Bid Form 3; and</li> <li>That PDS was the lowest responsible bidder.</li> </ul> <u>OPA-PA-12-017.</u> PDS asserted that GSA should have rejected GTA's bid because: <ul style="list-style-type: none"> <li>GTA did not submit a valid Affidavit Disclosing Ownership and Commission in compliance with 5 GCA §5233;</li> <li>GTA improperly conditioned its bid by including mandatory terms that were in direct contradiction to the IFB; and</li> <li>It was an improper joint bid submission by Teleguam Holdings, LLC, GTA Telecom, LLC, GTA Services, LLC, and Pulse Mobile, LLC.</li> </ul> <u>OPA-PA-12-018.</u> GTA asserted that GSA: <ul style="list-style-type: none"> <li>Incorrectly awarded the 1 Gbps for the dedicated GovGuam Wide Area Network Data Communications Services to PDS; and</li> <li>Failed to apply objectively measurable criteria in evaluating the bid for 10 Gbps.</li> </ul> </p>	<p><b>Decision:</b> DENIED.</p> <p><u>OPA-PA-12-016.</u></p> <ul style="list-style-type: none"> <li>GSA's Revised Bid Form (RBF) 3 required phone features with digital display.</li> <li>GTA's Cisco SPA501G was not compliant with the IFB.</li> <li>PDS's GXP 2100 was the next lowest priced compliant phone with digital display .</li> <li>GTA's Cisco SPA501G was not compliant with the IFB.</li> </ul> <p><u>OPA-PA-12-017.</u></p> <ul style="list-style-type: none"> <li>GTA's Affidavit Disclosing Ownership and Commission omitted information of its previous ownership.</li> <li>GSA made a written determination prior to award.</li> <li>GTA's omission was a mistake that did not affect price, delivery, quantity, quality or contractual conditions of the bid.</li> <li>GTA's additional terms and conditions were not considered by GSA. GTA was bound by the terms and conditions of the IFB.</li> </ul> <p><u>OPA-PA-12-018.</u></p> <ul style="list-style-type: none"> <li>Only one bidder was to be awarded a contract for RBF 11.</li> <li>GTA's price for 1,000 MBS was lower, however its price for 10,000 MBS was significantly higher.</li> <li>PDS' price for 1,000 MBS was higher but its price for 10,000 MBS was lower. When combined, PDS' total price was lower than GTA's price.</li> <li>PDS' total bid price for RBF 11 was the combined lowest.</li> </ul>		
Appeals Filed: October 8 and 19, 2012, and November 9, 2012	Appeal Closed: March 6, 2013	Appeal Duration: 149 days	



<b>APPEAL NO: OPA-PA-12-019</b>		Purchasing Agency: DOE	Appellant: J & B Modern Tech
Appeal Relative To: Maintenance & Repairs for A/C Equipment		Appeal Value: \$535K	
<p><b>Procurement Issue:</b> Bidder responsiveness - Additional License Submission</p> <ul style="list-style-type: none"> <li>• JRN allegedly did not submit the required C13 and C51 certification with its bid.</li> <li>• J&amp;B claimed that JRN's bid should have been deemed non-responsive and disqualified from consideration for award.</li> </ul>		<p><b>Decision:</b> DENIED.</p> <ul style="list-style-type: none"> <li>• J&amp;B properly filed its protest with the OPA pursuant to Section 8(a), P.L. 31-196 (Effective 03/28/12).</li> <li>• JRN's bid complied with the IFB because it included JRN's Contractor's License, which indicates that JRN retains the C13 and C51 classifications required by the IFB.</li> <li>• The IFB did not require bidders to submit a Verification of License or their Contractor's License and a Verification of License with their bids.</li> </ul>	
Appeal Filed: November 6, 2012		Appeal Closed: November 21, 2012	Appeal Duration: 15 days



Appeal No.	Parties	Procurement	Procurement Value	Status	Action	Date Filed	Date End	Days
<b>2012</b>								
OPA-PA-12-001	Medallion/GHURA	Low Income Housing Tax Credit	\$5.4M	Dismissed	No Protest Decision	01/20/12	04/02/12	73
OPA-PA-12-002	PDS/GSA	Elevator Phone Line Installation	\$0	Dismissed	Stipulated Agreement	03/28/12	05/18/12	51
OPA-PA-12-003	PDS/GSA	Phone Lines Installation	\$0	Dismissed	Stipulated Agreement	03/28/12	05/18/12	51
OPA-PA-12-004	PDS/GSA	Metro Ethernet Connection	\$0	Dismissed	Stipulated Agreement	03/28/12	05/18/12	51
OPA-PA-12-005	PDS/GSA	Basic Phone Services w/ Phone	\$0	Dismissed	Stipulated Agreement	03/28/12	05/18/12	51
OPA-PA-12-006	PDS/GSA	Cost of Telephone Services	\$0	Dismissed	Stipulated Agreement	03/28/12	05/18/12	51
OPA-PA-12-007	DMR	Point of Sale	\$1.3M	Dismissed	Appellant Withdrew	04/02/12	01/08/13	281
OPA-PA-12-008	E.R. Ilaó & Ass. / DOE	Wireless Infrastructure Consulting	\$358K	Dismissed	Stipulated Agreement	04/10/12	05/09/12	29
OPA-PA-12-009	PDS/GSA	Telephone Services for DPW	\$0	Dismissed	Stipulated Agreement	03/28/12	05/18/12	51
OPA-PA-12-010	Allied Pacific/DOE	Structural Repairs and Roof Coating	\$1.3M	Decision	Denied	04/13/12	07/18/12	96
OPA-PA-12-011	PDS/GSA	Telecommunications Services	\$779K	Decision	Denied	05/17/12	09/05/12	111
OPA-PA-12-012	PDS/GSA	Telecommunications Services	\$3.4M	Decision	Upheld	08/29/12	09/28/12	30
OPA-PA-12-013	Tokio Marine & Calvo's Ins. / DOA	FY 2013 Health Insurance Program	\$0	Dismissed	Appellant Withdrew	09/19/12	02/25/13	159
OPA-PA-12-014	PDS/DOE	Laptops and Computers	\$2.5M	Decision	Denied	09/26/12	10/11/12	15
OPA-PA-12-015	G-Crew/GVB	Tumon Landscape Maintenance	\$247K	Dismissed	Appellant Withdrew	09/27/12	01/28/13	123
OPA-PA-12-016	GTA/GSA	Telecommunication Services	\$3K	Decision	Denied	10/08/12	03/06/13	149
OPA-PA-12-017	PDS/GSA	Telecommunication Services	\$779K	Decision	Denied	10/19/12	03/06/13	138
OPA-PA-12-018	GTA/GSA	Telecommunication Services	\$2.6M	Decision	Denied	11/05/12	03/06/13	121
OPA-PA-12-019	J & B Modern/DOE	A/C Maintenance and Repairs	\$534K	Decision	Denied	11/06/12	11/21/12	15



**January 1, 2012**

Public Auditor Doris Flores Brooks releases her New Years Resolutions for 2012.

- New Years Resolutions



**February 22, 2012**

The Office of Public Accountability has released the Guam Educational Telecommunications Corporation (PBS Guam)'s FY 2011 Financial Statements, Report on Compliance and Internal Controls, Management Letter, and Letter to Those Charged with Governance.



- Highlights
- 2011 Financial Statements and Report on Compliance and Internal Controls
- FY 2011 Management Letter and Letter to Those Charged with Governance

**January 6, 2012**

The Office of Public Accountability released the Decision on Appeal No. OPA-PA-11-016 regarding the General Services Agency's decision on APM: Guam Medical Referral Services' protest concerning IFB-GSA-063-11 Medical Referral Services for the Office of the Governor.



- OPA-PA-11-016

**February 29, 2012**

The Office of Public Accountability has released the University of Guam's FY 2011 Financial Statements, Report on Compliance and Internal Controls, and Letter to Those Charged with Governance.



- Highlights
- 2011 Financial Statements
- 2011 Report on Compliance and Internal Controls
- 2011 Letter to Those Charged with Governance

**January 11, 2012**

The Office of Public Accountability (OPA) is soliciting written proposals for On-Call Conflicts Attorney services. You may click the following link to download the Request for Proposal (RFP) or pick-up an the OPA-RFP-12-04 package at:



Office of Public Accountability  
Suite 401, DNA Building  
238 Archbishop Flores Street  
Hagatna, Guam 96910

- OPA-RFP-12-04
- OPA-RFP-12-04 Announcement

**March 1, 2012**

The Office of Public Accountability has released the Government of Guam Retirement Fund's FY 2011 Financial Statements, Report on Compliance and Internal Controls, Management Letter, and Letter to Those Charged with Governance.



- Highlights
- Financial Statements, Compliance & Internal Controls
- FY 2011 Management Letter and Letter to Those Charged with Governance

**January 26, 2012**

The Office of Public Accountability has released the Guam International Airport Authority's FY 2011 Financial Statements, Report on Compliance and Internal Controls, Management Letter, and Letter to Those Charged with Governance.



- Highlights
- 2011 Financial Statements
- 2011 Report on Compliance and Internal Controls
- 2011 Management Letter
- 2011 Letter to Those Charged with Governance

**March 2, 2012**

The Office of Public Accountability has released the Guam Visitors Bureau (GVB)'s FY 2011 Financial Statements, Report on Compliance and Internal Controls, Management Letter and Letter to Those Charged with Governance.



- Highlights
- 2011 Financial Statements and Report on Compliance and Internal Controls
- 2011 Management Letter
- 2011 Letter to Those Charged with Governance

**January 30, 2012**

The Office of Public Accountability has released the Port Authority of Guam's FY 2011 Financial Statements, Report on Compliance and Internal Controls, Management Letter, and Letter to Those Charged with Governance.



- Highlights
- 2011 Financial Statements
- 2011 Report on Compliance and Internal Controls
- 2011 Management Letter
- 2011 Letter to Those Charged with Governance

**March 5, 2012**

The Office of Public Accountability has released the Guam Community College's FY 2011 Financial Statements, Report on Compliance and Internal Controls, and Letter to Those Charged with Governance.



- Highlights
- 2011 Financial Statements
- 2011 Report on Compliance and Internal Controls
- 2011 Letter to Those Charged with Governance

**February 7, 2012**

The Office of Public Accountability has released the Guam Housing Corporation's FY 2011 Financial Statements, Report on Compliance and Internal Controls, Management Letter, and Letter to Those Charged with Governance.



- Highlights
- 2011 Financial Statements
- 2011 Report on Compliance and Internal Controls
- 2011 Management Letter
- 2011 Letter to Those Charged with Governance

**March 6, 2012**

The Office of Public Accountability has released the Guam Economic Development Authority's FY 2011 Financial Statements, Report on Compliance and Internal Controls, and Letter to Those Charged with Governance.



- Highlights
- 2011 Financial Statements and Report on Compliance and Internal Controls
- 2011 Letter to Those Charged with Governance



**March 7, 2012**

The Office of Public Accountability has released the Guam Preservation Trust's FY 2011 Financial Statements, Report on Compliance and Internal Controls, Management Letter and Letter to Those Charged with Governance.

- Highlights
- 2011 Financial Statements
- 2011 Report on Compliance and Internal Controls
- 2011 Management Letter
- 2011 Letter to Those Charged with Governance



**March 11, 2012**

The Office of Public Accountability has released the Department of Chamorro Affairs' FY 2011 Financial Statements, Report on Compliance and Internal Controls, and Letter to Those Charged with Governance.

- Highlights
- 2011 Financial Statements
- 2011 Report on Compliance and Internal Controls
- 2011 Letter to Those Charged with Governance



**March 22, 2012**

The Office of Public Accountability has released OPA Report 12-01, Guam Veterans Affairs Office Non-Appropriated Funds.

- Executive Summary
- Full Report



**March 23, 2012**

The Office of Public Accountability is soliciting proposals on behalf of the Guam Preservation Trust (GPT) for audit services. You may click the following link to download the Request for Proposal (RFP) or pick-up an RFP package at:

Guam Preservation Trust  
167 Padre Palomo Street,  
Hagatna, Guam 96910.

- GPT RFP 12-02
- Addendum #1



**March 27, 2012**

The Office of Public Accountability has released the Guam Power Authority (GPA)'s FY 2011 Financial Statements, Report on Compliance and Internal Controls, Management Letter, and Letter to Those Charged with Governance.

- Highlights
- 2011 Financial Statements
- 2011 Report on Compliance and Internal Controls
- 2011 Management Letter
- 2011 Letter to Those Charged with Governance



**March 28, 2012**

The Office of Public Accountability has released the Guam Memorial Hospital Authority (GMHA)'s FY 2011 Financial Statements, Report on Compliance and Internal Controls, Management Letter, and Letter to Those Charged with Governance.

- Highlights
- 2011 Financial Statements
- 2011 Report on Compliance and Internal Controls
- 2011 Management Letter
- 2011 Letter to Those Charged with Governance



**March 30, 2012**

The Office of Public Accountability is soliciting proposals on behalf of the Guam Economic Development Authority (GEDA) for audit services. You may click the following link to download the Request for Proposal (RFP) or pick-up an RFP package at:

Guam Economic Development Authority  
ITC Building, Suite 511  
590 South Marine Corps Drive  
Tamuning, Guam 96913.

- GEDA-RFP-12-006
- Addendum #1



**March 30, 2012**

The Office of Public Accountability has released the decision for appeals OPA-PA-11-019, OPA-PA-11-020, and OPA-PA-11-021 regarding the Department of Education's denial of InfraTech International, LLC's protest concerning Invitation for Bids No. 037-2011, 038-2011, and 039-2011 (Structural Repairs and Roof Coating on GDOE Buildings).

- Decision for appeal



**April 2, 2012**

The Office of Public Accountability has released the notice of dismissal for appeal OPA-PA-12-001 regarding the Guam Housing and Urban Renewal Authority's denial of Medallion Guam, LLC's protest concerning the 2011 QAP Low Income Housing Tax Credit Program.

- Notice of Dismissal



**April 3, 2012**

The Office of Public Accountability has released the Tourist Attraction Fund (TAF)'s FY 2011 Financial Statements, Report on Compliance and Internal Controls, and Letter to Those Charged with Governance.

- Highlights
- 2011 Financial Statements and Report on Compliance and Internal Controls
- 2011 Letter to Those Charged with Governance



**April 4, 2012**

The Office of Public Accountability is pleased to release the Performeter and A.F.T.E.R. Analysis, a synopsis of the Government of Guam's financial condition as of September 30, 2010.

- Summary of the Performeter
- Performeter and A.F.T.E.R. Analysis



**April 10, 2012**

The Office of Public Accountability is soliciting proposals on behalf of the Port Authority of Guam (PAG) for audit services. You may click the following link to download the Request for Proposal (RFP) or pick-up an RFP package at:

Jose D. Leon Guerrero Commercial Port of Guam/Port Authority of Guam  
Procurement Office  
1026 Cabras Highway, Suite 201  
Piñ, Guam 96925.

- PAG-012-001
- Addendum No. 1





**April 12, 2012**

The Office of Public Accountability has released the FY 2010 Mayors' Council of Guam (MCOG)'s Non-Appropriated Funds audited Financial Statements, Report on Compliance and Internal Controls, Management Letter, and Letter to Those Charged with Governance.

- Highlights
- 2010 Financial Statements
- 2010 Report on Compliance and Internal Controls
- 2010 Management Letters
- 2010 Letter to Those Charged with Governance



**April 13, 2012**

The Office of Public Accountability has released the decision for appeals OPA-PA-11-018 regarding the Department of Education's denial of J & B Modern Tech's protest concerning Invitation for Bid No. 044-2011(Preventative Maintenance and Minor Repairs for Split and Central A/C Equipment).

- Decision for appeal



**April 16, 2012**

The Office of Public Accountability has released the Territorial Highway Fund (THF)'s FY 2011 Financial Statements, Report on Compliance and Internal Controls, and Letter to Those Charged with Governance.

- Highlights
- 2011 Financial Statements and Report on Compliance and Internal Controls
- 2011 Letter to Those Charged with Governance



**April 23, 2012**

The Office of Public Accountability has released the Guam Waterworks Authority (GWA)'s FY 2011 Financial Statements, Report on Compliance and Internal Controls, Management Letter, and Letter to Those Charged with Governance.

- Highlights
- 2011 Financial Statements
- 2011 Report on Compliance and Internal Controls
- 2011 Management Letter
- 2011 Letter to Those Charged with Governance



**April 25, 2012**

The Office of Public Accountability has released the 2010 Guam Island Fair/66th Liberation Day Committee Fund audited Statement of Deposits and Disbursements and Changes in Cash, Report on Compliance and Internal Controls, Management Letter, and Letter to those Charged with Governance.

- Highlights
- 2010 Financial Statements
- 2010 Report on Compliance and Internal Controls
- 2010 Management Letter
- 2010 Letter to Those Charged with Governance



**April 27, 2012**

The Office of Public Accountability has releases its CY 2011 Agency Report.

- Annual Report



**April 30, 2012**

The Office of Public Accountability is soliciting proposals on behalf of the Chamorro Land Trust Commission (CLTC) for audit services. You may click the following link to download the Request for Proposal (RFP) or pick-up an RFP package at:

Chamorro Land Trust Commission  
Main Office  
590 S. Marine Corps Drive  
Suite 733 ITC Bldg.  
Tamuning, Guam 96913.

- CLTC-2012-001



**May 7, 2012**

The Office of Public Accountability is soliciting proposals on behalf of the University of Guam (UOG) for audit services. You may click the following link to download the Request for Proposal (RFP) or pick-up an RFP package at:

University of Guam  
Consolidated Procurement Office  
Administration Building  
Mangilao, Guam 96923.

- UOG RFP P20-12
- Addendum #1



**May 23, 2012**

The Office of Public Accountability has reissued the Guam Memorial Hospital Authority (GMHA)'s FY 2011 Financial Statements to include a Supplemental Schedule of Billings and Collections and Reconciliation of Billings to Gross Patient Revenues. All other information, including the FY 2011 Report on Compliance and Internal Controls, Management Letter, and Letter to Those Charged with Governance issued on March 28, 2012 remained unchanged.

- Highlights
- 2011 Reissued Financial Statements



**May 24, 2012**

The Office of Public Accountability is soliciting proposals on behalf of the Government of Guam Retirement Fund (GGRF) for audit services. You may click the following link to download the Request for Proposal (RFP) or pick-up an RFP package at:

Government of Guam Retirement Fund  
Director's Office  
424A Route 8  
Maite, Guam 96910

- GGRF-002-12
- Amendment No. 1



**May 30, 2012**

The Office of Public Accountability has released OPA Report No. 12-02, Supplemental Appropriations Revenue (SAR) Fund Performance Audit.

- Executive Summary
- Full Report



**June 12, 2012**

The Office of Public Accountability is seeking applications from qualified persons for Paralegal II.

- Paralegal II





**June 26, 2012**

The Office of Public Accountability has released the Guam Housing and Urban Renewal Authority (GHURA)'s FY 2011 Financial Statements, Report on Compliance and Internal Controls, Management Letter, and Letter to Those Charged with Governance.

- Highlights
- 2011 Financial Statements
- 2011 Report on Compliance and Internal Controls
- 2011 Management Letter
- 2011 Letter to Those Charged with Governance



**June 27, 2012**

The Office of Public Accountability is seeking applications from qualified persons for Auditor III.

- Auditor III



**June 29, 2012**

The Office of Public Accountability has released the Department of Education (DOE)'s FY 2011 Financial Statements, Report on Compliance and Internal Controls, and Letter to Those Charged with Governance.

- Highlights
- 2011 Financial Statements
- 2011 Report on Compliance and Internal Controls
- 2011 Letter to Those Charged with Governance



**July 3, 2012**

The Office of Public Accountability has released the Government of Guam (GovGuam)'s FY 2011 Financial Statements and Letter to Those Charged with Governance.

- Financial Highlights
- 2011 Financial Statements
- 2011 Letter to Those Charged with Governance



**July 5, 2012**

The Office of Public Accountability has released the Government of Guam (GovGuam)'s FY 2011 Single Audit Reports and Management Letter.

- Compliance Highlights
- 2011 Single Audit Reports
- 2011 Management Letter



**July 6, 2012**

The Office of Public Accountability is soliciting proposals on behalf of the Chamorro Land Trust Commission (CLTC) for audit services. You may click the following link to download the Request for Proposal (RFP) or pick-up an RFP package at:

Chamorro Land Trust Commission  
Main Office  
590 S. Marine Corps Drive  
Suite 733 ITC Bldg.  
Tamuning, Guam 96913

- CLTC-2012-001



**July 9, 2012**

The Office of Public Accountability has released a notification to all Line Agencies, Autonomous and Semi-Autonomous agencies, Public Corporations, the Guam Mayors' Council, the Judiciary of Guam and I Lihesturan Guahan with respect to their FY 2011 Citizen-Centric Report required by Public Law 30-127.

- Click here for notification



**July 18, 2012**

The Office of Public Accountability is seeking applications from qualified persons for Auditor I.

- Auditor I



**July 18, 2012**

The Office of Public Accountability has released the decision for appeals on OPA-PA-12-010 regarding the Guam Department of Education's denial of Allied Pacific Builders, Inc's protest concerning Invitation for Bid Nos. 035-2011 (Structural Repairs and Roof Coating – Northern A) and 036-2011 (Structural Repairs and Roof Coating – Northern B).

- Decision for appeal



**July 19, 2012**

Public Auditor Doris Flores Brooks responds to Vice-Speaker Cruz regarding request for Status of Qualifying Certificate Program Audit.

- Click here for letter



**August 8, 2012**

The Office of Public Accountability has released the decision for appeal on OPA-PA-11-002 regarding the Guam Department of Education's denial of Town House Department Stores, Inc. dba Island Business Systems & Supplies' protest concerning Invitation for Bid No. GDOE-IFB-022-2010 (Document Management Services).

- Decision for appeal



**August 14, 2012**

The Office of Public Accountability is soliciting proposals on behalf of the Department of Administration (DOA) for audit services. You may click the following link to download the Request for Proposal (RFP) or pick-up an RFP package at:

Government of Guam  
Department of Administration  
Director's Office  
Manuel F.L. Guerrero Bldg.  
212 Aspinall Avenue  
Hagatna, Guam 96910.

- RFP/DOA/ACCT001
- Amendment No. 1
- Written Questions and Answers



**August 17, 2012**

The Pacific Association of Supreme Audit Institutions (PASAI) issued the Accountability and Transparency Report of 2011. Guam was one of the six island governments that was studied in-depth as part of the PASAI project.

- PASAI Press Release





**August 20, 2012**

The Office of Public Accountability has released its FY2011 Citizen Centric Report pursuant to Public Law 30-127.

- [FY 2011 Citizen Centric Report](#)



**August 30, 2012**

The Office of Public Accountability is soliciting proposals on behalf of the Department of Chamorro Affairs (DCA) for an audit of its Non-Appropriated Funds (NAF). You may click the following link to download the Request for Proposal (RFP) or pick-up an RFP package at:

Department of Chamorro Affairs  
Suite 100, Telaje Professional Building  
194 Hernan Cortez Avenue  
Hagatna, Guam 96910.

- [DCA2012-001](#)
- [Written Questions and Answers](#)



**September 5, 2012**

The Office of Public Accountability has released the decision for appeal on OPA-PA-12-011 regarding the General Services Agency's partial denial of Pacific Data Systems's protest concerning Invitation for Bid No. GSA-064-011 (Telecommunication Services).

- [Decision for appeal](#)



**September 17, 2012**

The Pacific Association of Supreme Audit Institutions (PASAI) issued a press release on its Tier 3 Supervisory Roles in Government Auditing Training from September 3 to 14, 2012. OPA Auditor Llewelyn Terlaje was one of the training participants.

- [PASAI Press Release](#)



**September 26, 2012**

The Office of Public Accountability has issued a memo to all Government of Guam entities relative to Public Law 31-233, Reporting Requirements for Boards and Commissions.

- [Click here for Memo](#)



**September 28, 2012**

The Office of Public Accountability has released the decision and order for the appeal on OPA-PA-12-012, regarding the General Services Agency's no decision on Pacific Data Systems's May 9, 2011 protest concerning Invitation for Bid No. GSA-064-011 (Telecommunication Services).

- [Decision for appeal](#)



**October 10, 2012**

The Office of Public Accountability is soliciting proposals on behalf of the Department of Administration (DOA) for an audit of the Tourist Attraction Fund and Territorial Highway Fund (TAF/THF). You may click the following link to download the Request for Proposal (RFP) or pick-up an RFP package at:

Government of Guam  
Department of Administration  
Director's Office  
Manuel F.L. Guerrero Bldg.  
212 Aspinall Avenue  
Hagatna, Guam 96910.

- [RFP/DOA-ACCT-002-13](#)
- [Written Questions and Answers](#)



**October 12, 2012**

The Office of Public Accountability has released the summary order for OPA-PA-12-014, regarding the protest of Pacific Data System concerning the Guam Department Education's Invitation for Bid 014-2012 (Student and Teacher laptop computers and related materials and services).

- [Decision for appeal](#)



**October 12, 2012**

The Pacific Association of Supreme Audit Institutions (PASAI) held its 15th Congress in Noumea, New Caledonia from October 2 to 5, 2012. Public Auditor Doris Flores Brooks was among the participants and encourages delegates to come to Guam for the 16th PASAI Congress from September 9 to 13, 2013.

- [PASAI Press Release](#)

**October 30, 2012**

The Pacific Association of Supreme Audit Institutions (PASAI) issued a press release on its Communicating Effectively Workshop from September 24 to 28, 2012. OPA Audit Supervisor Rodalyn Marquez was among the training participants.

- [PASAI Press Release](#)

**November 8, 2012**

The Office of Public Accountability has released OPA Report 12-03, Government Wide Submission of Citizen-Centric Reports Pursuant to Public Law 31-77.

- [Full Report](#)



**November 13, 2012**

The Office of Public Accountability has released OPA Report 12-04, Guam Memorial Hospital Authority Compensation Controls from 2009 to 2011.

- [Executive Summary](#)
- [Full Report](#)



**November 21, 2012**

The Office of Public Accountability has released the decision for OPA-PA-12-019, regarding the protest of J&B Modern Tech concerning the Guam Department Education's Invitation for Bid 026-2012 (Preventive Maintenance and Minor Repairs for Split and Central A/C Equipment for Thirty-Five (35) Public Schools and All Support Activities).

- [Decision for appeal](#)



**November 27, 2012**

The Office of Public Accountability is soliciting proposals on behalf of the Chamorro Land Trust Commission (CLTC) and Guam Ancestral Lands Commission (GALC) for an audit of its Non-Appropriated Funds (NAF). You may click the following link to download the Request for Proposal (RFP) or pick-up an RFP package at:

Chamorro Land Trust Commission  
Guam Ancestral Lands Commission  
590 S. Marine Corps Drive,  
Suite 733 ITC Bldg  
Tamuning, Guam 96913.

- [CLTC/GALC-2012-001](#)





**November 28, 2012**

Pursuant to Section 6205 of Title 4, Guam Code Annotated, the Office of Public Accountability is petitioning to recruit above the minimum step for the Auditor I position.

[Click here for petition](#)

**December 3, 2012**

The Office of Public Accountability has released the Government of Guam's Solid Waste Operations Fund (GGSWOF)'s FY 2011 Financial Statements, Report on Compliance and Internal Controls, Management Letter, and Letter to Those Charged with Governance.

- [Highlights](#)
- [2011 Financial Statements](#)
- [2011 Report on Compliance and Internal Controls](#)
- [2011 Management Letter](#)
- [2011 Letter to Those Charged with Governance](#)



**December 4, 2012**

The Office of Public Accountability has released OPA Report 12-05, Government of Guam Payroll-Related Demand Runs and Special Payments.

- [Executive Summary](#)
- [Full Report](#)



**December 17, 2012**

The Office of Public Accountability is soliciting request for proposals from qualified persons or firms to provide performance and financial audit consulting services from fiscal years 2013 to 2015. You may click the following links to download the RFP or pick up an RFP Package at:

Suite 401, DNA Building  
238 Archbishop Flores Street  
Hagatna, Guam 96910.

- [OPA-RFP-12-05 Announcement](#)
- [OPA-RFP-12-05](#)
- [Amendment No. 1](#)



**December 19, 2012**

The Office of Public Accountability is soliciting request for proposals from qualified persons or firms to provide human resources consulting services from fiscal years 2013 to 2015. You may click the following links to download the RFP or pick up an RFP Package at:

Suite 401, DNA Building  
238 Archbishop Flores Street  
Hagatna, Guam 96910.

- [OPA-RFP-12-06 Announcement](#)
- [OPA-RFP-12-06](#)



**December 20, 2012**

The Office of Public Accountability has released OPA Report No. 12-06, Government of Guam Analysis of Top Ten Vendors.

- [Executive Summary](#)
- [Full Report](#)



**December 27, 2012**

The Office of Public Accountability has released OPA Report No. 12-07, Government of Guam Gas Fleet Card Program.

- [Executive Summary](#)
- [Full Report](#)



**December 28, 2012**

The Office of Public Accountability has released OPA Report No. 12-08, Guam Department of Education's Cash Collections over School Meals Program.

- [Executive Summary](#)
- [Full Report](#)



**December 31, 2012**

The Office of Public Accountability has released OPA Report No. 12-09, Office of Public Accountability's Status of Audit Recommendations.

- [Executive Summary](#)
- [Full Report](#)

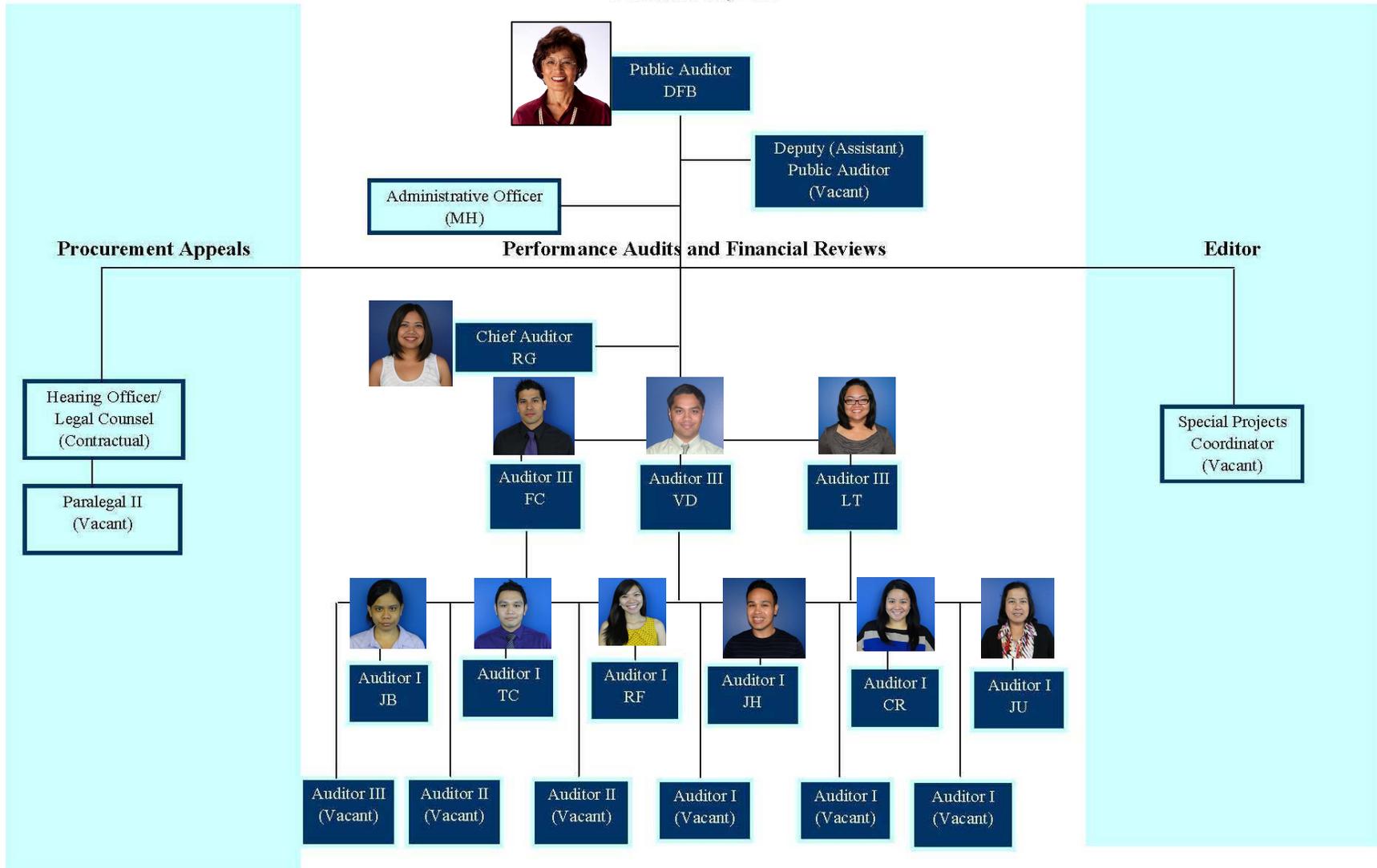




Agencies or Programs	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001	TOTAL
Guam International Airport Authority	0	0	2	0	0	3	5	2	10	13	12	22	69
Department of Education	3	3	1	18	9	46	17	14	9	11	13	13	154
Department of Public Works	2	2	1	0	6	15	9	3	3	10	11	14	74
Guam Power Authority	2	1	0	1	2	7	6	4	5	6	12	4	48
Department of Corrections	1	2	3	2	5	1	1	2	2	2	11	10	41
Guam Memorial Hospital Authority	0	1	4	2	2	2	1	7	4	1	11	8	43
Government of Guam Retirement Fund	0	0	1	0	0	3	3	1	15	1	6	0	30
Department of Administration	1	2	5	0	0	3	1	2	4	5	6	5	33
Mayors Council of Guam	2	1	2	0	5	11	8	9	4	6	2	7	55
Guam Housing and Urban Renewal Authority	1	0	0	0	0	2	1	6	10	3	2	3	27
Guam Waterworks Authority	0	0	0	1	0	7	5	12	4	7	4	3	43
Guam Fire Department	0	0	2	0	3	1	2	1	6	4	3	4	26
Guam Mass Transit Authority	1	0	0	0	0	0	0	1	3	5	5	4	18
Department of Public Health and Social Services	1	1	1	2	2	0	1	4	5	0	4	8	28
Guam Telephone Authority	0	0	0	0	0	0	0	1	9	3	3	1	17
Office of the Attorney General	0	1	2	0	1	1	3	3	4	9	1	0	25
Guam Police Department	2	1	0	1	0	2	1	0	2	3	3	5	18
Guam Visitors Bureau	0	0	0	0	1	2	0	3	5	1	1	5	18
Superior Court of Guam	0	0	0	3	0	3	2	4	4	2	4	2	24
University of Guam	0	0	1	1	2	2	1	0	4	3	3	2	19
Port Authority of Guam	1	1	0	0	0	0	1	3	3	4	1	3	16
Department of Land Management	0	0	0	0	0	0	0	1	3	0	1	4	9
Office of the Governor	0	0	2	2	5	0	1	0	4	3	1	0	18
Department of Parks & Recreation	0	0	1	0	1	7	4	1	1	1	1	5	22
Department of Labor	0	0	0	1	0	0	0	0	2	3	2	1	9
Guam Economic Development and Commerce Authority	1	1	0	1	0	0	0	0	2	4	0	1	9
General Services Agency	0	1	1	0	0	2	2	3	3	3	0	1	16
Other Agencies and Programs	5	12	13	19	18	40	37	29	47	31	22	28	296
<b>Total</b>	<b>23</b>	<b>30</b>	<b>42</b>	<b>54</b>	<b>62</b>	<b>160</b>	<b>112</b>	<b>116</b>	<b>177</b>	<b>144</b>	<b>145</b>	<b>163</b>	<b>1,205</b>



**Office of Public Accountability  
December 31, 2012**



Note: Subsequently, an Auditor I was hired in February 2013, and Administrative Officer MH resigned in March 2013.

