



**OFFICE OF PUBLIC ACCOUNTABILITY**  
**STATUS OF AUDIT**  
**RECOMMENDATIONS**

**ANALYSIS**

Calendar Years 2016 to 2023

**OPA REPORT NO. 25-09**

September 2025





# **Office of Public Accountability Status of Audit Recommendations**

**Analysis  
Calendar Years 2016 to 2023  
OPA Report No. 25-09  
September 2025**

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**EXECUTIVE SUMMARY**  
**Office of Public Accountability**  
**Status of Audit Recommendations**  
**OPA Report No. 25-09, September 2025**

Our review of the status of Office of Public Accountability (OPA) audit recommendations revealed that between calendar years (CY) 2022 and 2023, 18 audit reports were issued with 83 recommendations that focused on fund accountability, program efficiency and effectiveness, procurement, personnel, and non-appropriated funds. Of the 83 recommendations, 28 are still open as of September 2025, a 66% closure rate.

The 18 reports were initiated as a result of OPA risk-based assessments, Legislative Mandates, requests from government officials, follow-ups on previously issued audits, and OPA hotline tips. These reports collectively identified financial impacts of \$42.0 million (M), of which \$12.8M were unrealized revenues and \$19.4M were questioned costs. The remaining \$9.7M were other financial impacts that resulted from high costs from expenditures related to COVID-19, back wages to reinstated Port Authority of Guam employees, and business privilege tax exemptions, among others. The following table summarizes the status of OPA recommendations between CY 2022 and 2023.

**OPA Audit Recommendations between CY 2022 and 2023**

Initiated By:	Reports Issued		Audit Recommendations			
	Count	% to Total	Closed	Open	Total	% to Total
OPA	8	44%	23	7	30	36%
Mandate	1	6%	7	-	7	8%
Request	5	28%	18	13	31	37%
Follow-up	2	11%	1	4	5	6%
Hotline	2	11%	6	4	10	12%
<b>Total</b>	<b>18</b>	<b>100%</b>	<b>55</b>	<b>28</b>	<b>83</b>	<b>100%</b>

One way we measure the effectiveness of our reports towards improving the Government of Guam's (GovGuam) accountability, operations, services, and governance is by tracking the implementation status of our recommendations. OPA audits are tools that help management achieve their objectives by providing oversight over operations, such as reporting how government money was spent or whether agencies complied with laws, rules, and regulations. Our audits also provide GovGuam managers with insight of potential operational risks and foresight into possible opportunities. Over time, these audits should improve governance of GovGuam programs.

Ultimately, management is responsible for implementing recommendations and should ensure their agencies are committed to sustaining an effective internal control environment. Elected officials and governing bodies should encourage implementation through effective oversight.

This is the sixth report on the implementation status of audit recommendations issued by the OPA. Title 1 of the Guam Code Annotated (GCA) §1912 requires the affected GovGuam agencies to prepare corrective action plans and endeavor to implement OPA audit recommendations by the beginning of the following fiscal year.

### **Status of Audit Recommendations Issued Between CY 2001 and 2021**

Between CY 2001 and CY 2021, OPA issued 206 reports with 828 audit recommendations to improve government operations. These reports identified total financial impacts of \$1.01 billion (B). As of September 2025, of the 828 audit recommendations, 754 have been closed. OPA is working with the auditees to close the remaining 74 open recommendations from the prior audits.

Our previous reports on the status of audit recommendations included the following:

- **OPA Report No. 07-18, Status of Audit Recommendations** *issued in December 2007*  
The first status report on recommendations for audits issued between CYs 2001 and 2006 covered 65 audit reports. These reports made 420 recommendations with \$74.1M in total financial impact. All recommendations have been closed.
- **OPA Report No. 10-02, Status of Audit Recommendations** *issued in May 2010*  
The second status report on recommendations for audits issued between CYs 2007 and 2009 covered 35 audit reports. There were 85 recommendations with \$35.4M in total financial impact. All recommendations have been closed.
- **OPA Report No. 12-09, Status of Audit Recommendations** *issued in December 2012*  
The third status report on recommendations for audits issued between CYs 2010 and 2011 covered 21 reports. There were 77 recommendations with \$33.9M in total financial impact. As of March 2025, all recommendations have been closed.
- **OPA Report No. 16-10, Status of Audit Recommendations** *issued in December 2016*  
The fourth status report on recommendations for audits issued between CYs 2012 and 2015 covered 30 reports. There were 64 recommendations with \$78.8M in total financial impact. As of April 2025, all recommendations have been closed.
- **OPA Report No. 23-01, Status of Audit Recommendations** *issued in January 2023*  
The fifth status report on recommendations for audits issued between CYs 2016 and 2021 covered 55 reports. There were 182 recommendations with \$794M in total financial impact. As of September 2025, 74 recommendations remain open.

### **Conclusion**

Our audit reports from CY 2022 to CY 2023 identified several internal control issues such as ineffective billing and collection systems, loss of government revenues, deficient control procedures over non-appropriated funds, and lack of monitoring and oversight over government programs, i.e., non-productive and special payroll payments and procurement procedures, and made recommendations to correct these deficiencies. Majority of these recommendations have been closed, but 28 remain open for CY 2022 to CY 2023 and 74 open for prior CYs.

Although, it is part of our audit procedures to continue sending periodic reminders and follow-up letters to GovGuam entities to implement all open recommendations, we believe there are three key concepts that can aid in successful audit recommendation implementation:

1. Management recognizing the importance and benefits of implementing effective internal controls (checks and balances),
2. Management having a more proactive approach and being open to the audits and recommendations that aim to improve effectiveness and efficiency within their respective agencies, and
3. Elected officials and governing bodies can also encourage implementation through effective oversight.

Title 1 of GCA §1913 allows OPA to file actions in the Superior Court of Guam to force the implementation of the recommendations. It is not the OPA's intent to exercise this arduous and costly remedy to take when audit recommendations and corrective action plans are not implemented or a satisfactory explanation as to why such recommendations or corrective active plans have not been implemented by the agencies. However, we believe this mechanism is an important option for the extreme situation where agencies refuse to take action on audit recommendations.



Benjamin J.F. Cruz  
Public Auditor

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## Introduction

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This report presents the status of recommendations issued by the Office of Public Accountability (OPA) in calendar years (CY) 2022 to 2023 as of September 2025. This report also provides an update on open recommendations issued in prior audits between CY 2016 and CY 2021. This is the sixth report on the implementation status of OPA recommendations with the first report issued in December 2007, the second in May 2010, the third in December 2012, the fourth in December 2016, and the fifth in January 2023.

The objective, scope, and methodology are detailed in Appendix 1.

### Background

Audit recommendations address the causes of unfavorable conditions. They are intended to increase the efficiency and effectiveness of government programs and operations, to enhance revenues, and to protect against the loss or misuse of government assets and resources. Accordingly, OPA's recommendations to audited government agencies address a broad range of issues. According to Section 9.23 of the Government Auditing Standards:

*“Auditors should recommend actions to correct deficiencies and other findings identified during the audit and to improve programs and operations when the potential for improvement in programs, operations and performance is substantiated by the reported findings and conclusions. Auditors should make recommendations that flow logically from the findings and conclusions, are directed at resolving the cause of identified deficiencies and findings, and clearly state the actions recommended.”*

According to Title 1 of the Guam Code Annotated (GCA) §1912, the Executive, Legislative, and Judicial branches of the Government of Guam (GovGuam) are to prepare corrective action plans for audit recommendations, document the progress of implementations, endeavor to complete implementation no later than the beginning of the next fiscal year (FY), and to transmit this information to the Public Auditor.

Pursuant to 1 GCA §1913, the Public Auditor may elect to take action if recommendations are not implemented, specifically:

“In the event the Governor, the Committee on Rules of the Legislature, or the Chief Justice of the Supreme Court of Guam Fails to implement the required corrective action plan: or

- a) Fails to provide a satisfactory explanation as to why such recommendations have not been implemented to the Public Auditor; or
- b) The Public Auditor has not concurred with the non-implementation on account of the provided explanation; the Public Auditor may file in the Superior Court of Guam an action for a Writ of Mandate to force the implementation of the recommendations and the attendant corrective action plan.”

Although allowed, OPA has yet to file such actions in the Superior Court of Guam because of the burden and costs involved.

## **Prior Audit Recommendations Reports**

- **OPA Report No. 07-18, Status of Audit Recommendations** *issued in December 2007*  
OPA issued its first status report on audit recommendations for audit reports issued between CYs 2001 and 2006. During this six-year period, OPA issued 65 reports with 420 recommendations that identified \$74.1 million (M) in financial impact. All recommendations have been closed.
- **OPA Report No. 10-02, Status of Audit Recommendations** *issued in May 2010*  
The second status report covered audits issued between CYs 2007 and 2009. During this three-year period, OPA issued 35 reports with 85 recommendations that identified \$35.4M in financial impact. All recommendations remain have been closed.
- **OPA Report No. 12-09, Status of Audit Recommendations** *issued in December 2012*  
The third status report covered audits issued between CYs 2010 and 2011. During this two-year period OPA issued 21 reports with 77 recommendations that identified \$33.9M in financial impact. All recommendations remain have been closed.
- **OPA Report No. 16-10, Status of Audit Recommendations** *issued in December 2016*  
The fourth status report covered audits between CYs 2012 and 2015. During this four-year period OPA issued 30 reports with 64 Recommendations that identified \$78.8M in financial impact. All recommendations remain have been closed.
- **OPA Report No. 23-01, Status of Audit Recommendations** *issued in January 2023*  
The fourth status report covered audits between CYs 2016 and 2021. During this six-year period OPA issued 55 reports with 182 recommendations that identified \$794.0M in financial impact. As of September 2025, 74 recommendations remain open.

OPA maintains an internal tracking system to monitor the implementation and resolution of audit recommendations and periodically sends reminders and follow-up letters to agencies' management to encourage implementation of these recommendations.

## **Classification of Audit Recommendations**

In this sixth OPA Status of Audit Recommendations report, the classification of the status of our audit recommendations is as follows:

### **Closed Recommendations**

- ***Implemented*** – Action needed has been completed and addressed all aspects of the action needed, including enactment of relevant legislation.
- ***Not Implemented*** – Action needed has been considered but has not been implemented due to certain limitations in the current structure, environment, or policies and the likelihood of implementation is remote.
- ***Consolidated or Other*** – Action needed was not assessed and recommendation was reevaluated due to subsequent events or new information that we considered.

### **Open Recommendations**

- ***Partially Implemented*** – Action needed is in development, or started but not yet completed and only addressed part of the action needed.
- ***Open*** – Action or plan of action has yet to be made by the department or agency, or response from the department or agency has not been submitted to OPA as of September March 2025.

One way we measure the effectiveness of our reports towards improving GovGuam’s accountability, operations, services, and governance is by tracking the implementation status of our recommendations. OPA audits are tools that help management achieve their objectives by providing oversight over operations, such as reporting how government money was spent or whether agencies complied with laws, rules, and regulations. Our audits also provide GovGuam managers with insight of potential operational risks and foresight into possible opportunities. Over time, these audits should improve governance of GovGuam programs.

## Results of Audit

Between January 2022 and December 2023, OPA issued 18 reports with 83 recommendations to help improve GovGuam’s overall operations and accountability. As of September 2025, 55 recommendations (or 66%) have been closed while 28 (or 34%) remain open.

**Table 1: CY 2022 to 2023 Audit Reports and Recommendations Issued**

Year Issued	No. of Reports	Number and Status of Recommendations			% Closed to Total
		Closed	Open	Total Recommendations	
2022	7	20	11	31	65%
2023	11	35	17	52	67%
<b>Total:</b>	<b>18</b>	<b>55</b>	<b>28</b>	<b>83</b>	<b>66%</b>

The 18 reports collectively identified financial impacts worth \$42.0M, of which \$19.4M were questioned costs, \$12.8M were unrealized revenue, and \$9.7M were other financial impacts. Appendix 3 shows the breakdown of the total financial impact per year.

OPA categorizes financial impact as questioned costs, unrealized revenues, and other financial impact as follows:

- *Questioned costs* are expenditures of funds that are unsupported, unallowable, or otherwise improper.
- *Unrealized revenues* are funds that could have been collected but were not.
- *Other financial impacts* are amounts identified, but do not fit the first two categories. Examples are potential or actual savings that an auditee could realize; tax credits that do not require appropriations or compete with the annual budget’s spending priorities; unreconciled differences; and unreported amounts that are required to be reported by law.

### Audit Recommendations CY 2022 ~ CY 2023

Between CY 2022 and CY 2023, OPA issued 18 reports encompassing performance audits, analyses, and legislative mandates, which identified total financial impacts of \$42.0M. These reports made 83 recommendations to improve accountability and operational effectiveness and efficiency. Table 2 shows the total financial impact per calendar year.

**Table 2: Total Financial Impact**

Calendar Year	2022	2023	Total
<b>Financial Impact</b>	\$ 1,043,293	\$ 40,913,022	\$ <b>41,956,315</b>

The \$42.0M in total financial impacts identified in the 18 reports included the following:

- 1) \$114 thousand (K) in questioned costs pertaining to the management of the Host Community Benefit Fund.

- 2) \$503K in total financial impact from lack of documentation leading to the potential overpayment of four reinstated Port Authority of Guam employees.
- 3) \$427K in total financial impact resulting from overpayments and documentary deficiencies in Coronavirus Relief Fund Expenditures by Guam Economic Development Authority (GEDA).
- 4) \$22.5M in total financial impact resulting from registration and licensing requirements, gross receipts reporting and Business Privilege Tax (BPT) payments, questionable exemptions without sufficient documentation, and lapses in internal controls in relation to BPT on Military Construction Projects.
- 5) \$640K in questioned costs from Guam Department of Education's (GDOE) overtime payments to ineligible employees.
- 6) \$15.7M in questioned costs stemming from the utilization of the Government of Guam COVID-19 Quarantine and Isolation Facilities Utilization Analysis.
- 7) \$2M in questioned costs pertaining to the procurement of consultant services for new hospital development by GEDA.
- 8) \$101K in total financial impact from Guam Power Authority (GPA) and Guam Waterworks Authority's (GWA) credit card use.
- 9) \$35K in total financial impact from Guam Visitors Bureau's (GVB) credit card use.

Refer to Appendix 3 for the full listing of reports with financial impacts.

#### **Audit Recommendations by Addressee**

Between calendar years (CY) 2022 and 2023, OPA issued 18 reports covering various audits, analyses, and reviews. Agencies affected by audit recommendations referred to as "addressees," and a single addressee may be cited in more than one report and receive multiple recommendations.

The Guam Legislature was the most frequently cited, appearing in four reports, followed by the Department of Revenue and Taxation (DRT) and GEDA, each mentioned in two reports. As of September 2025, 16 of the 18 reports included one or more recommendations directed at the addressees listed below. The remaining two reports did not contain any audit recommendations.

#### **Department of Administration**

1. Government of Guam COVID-19 Quarantine and Isolation Facilities Utilization Analysis (23-05)

**Department of Revenue and Taxation**

1. Department of Revenue and Taxation Assessments and Collections of Excise Taxes for Alcoholic Beverages and Tobacco Products (23-02)
2. Department of Revenue and Taxation Business Privilege Tax on Military Construction Contracts (23-03)

**Guam Legislature**

1. Autonomous Agency Collections Fund (22-01)
2. Office of Public Accountability Status of Legislative Mandates (22-07)
3. Department of Revenue and Taxation Assessments and Collections of Excise Taxes for Alcoholic Beverages and Tobacco Products (23-02)
4. Department of Revenue and Taxation Business Privilege Tax on Military Construction Contracts (23-03)

**Port Authority of Guam**

1. Port Authority of Guam Back Wages Series, Part C (22-05)

**Guam Customs and Quarantine Agency**

1. Department of Revenue and Taxation Assessments and Collections of Excise Taxes for Alcoholic Beverages and Tobacco Products (23-02)

**Department of Public Health and Social Services**

1. Analysis of Government of Guam Leases (22-04)

**Chamorro Land Trust Commission**

1. Chamorro Land Trust Commission Oversight of the Removal of Coral Material from the Guam International Raceway Park (23-08)

**Guam Economic Development Authority**

1. Coronavirus Relief Fund Expenditures Part II (22-06)
2. Guam Economic Development Authority Procurement of Consultant Services for New Hospital Development (23-06)

**Guam Behavioral Health and Wellness Center**

1. General Services Agency Procurement of Consultation for GBHWC – Criminal Justice Program (22-02)

**Guam Contractors License Board**

1. Guam Contractors License Board Licensing and Investigation Procedures (23-09)

**Guam Department of Education**

1. Guam Department of Education Overtime Payments (23-04)

**Guam Homeland Security**

1. Government of Guam COVID-19 Quarantine and Isolation Facilities Utilization Analysis (23-05)

**Guam Power Authority**

1. Government-Wide Credit/Debit Card Use Series, Part I Guam Power Authority and Guam Waterworks Authority (23-10)

**Guam Visitors Bureau**

1. Government-Wide Credit/Debit Card Use Series, Part II Guam Visitors Bureau (23-11)

**Guam Waterworks Authority**

1. Government-Wide Credit/Debit Card Use Series, Part I Guam Power Authority and Guam Waterworks Authority (23-10)

**Mayor’s Council of Guam**

1. Mayor’s Council of Guam Host Community Benefit Fund (22-03)

See Appendix 5 for audit Recommendations addressed to the Guam Legislature and the Governor that recommended changes in or pertaining to the law.

**Reports by Audit Initiation**

Of the 18 reports issued between CY 2022 and CY 2023, 8 (or 44%) were initiated by OPA after risk assessments, 1 (or 6%) was mandated by law, 5 (or 28%) were requested, 2 (or 11%) were follow-ups and 2 (or 11%) resulted from a hotline tip. Table 3 shows reports by audit initiation, as well as the corresponding recommendation status.

**Table 3: Reports by Audit Initiation between CY 2022 and CY 2023**

Initiated By	No. and Status of Recommendations				Total	% to Total
	No. of Reports	% to Total	Closed	Open		
OPA	8	44%	23	7	30	36%
Mandate	1	6%	7	-	7	8%
Request	5	28%	18	13	31	37%
Follow-up	2	11%	1	4	5	6%
Hotline	2	11%	6	4	10	12%
<b>Total</b>	<b>18</b>	<b>100%</b>	<b>55</b>	<b>28</b>	<b>83</b>	<b>100%</b>

**OPA-Initiated Audits**

1. Autonomous Agency Collections Fund (22-01)
2. General Services Agency Procurement of Consultation for GBHWC - Criminal Justice Program (22-02)
3. Port Authority of Guam’s Back Wages Series, Part C (22-05)
4. Office of Public Accountability Status of Audit Recommendations (23-01)
5. Government of Guam COVID-19 Quarantine and Isolation Facilities Utilization Analysis (23-05)
6. Guam Department of Education, Education Stabilization Fund Expenditures (23-07)
7. Government-Wide Credit/Debit Card Use Series, Part I Guam Power Authority and Guam Waterworks Authority (23-10)

- Government-Wide Credit/Debit Card Use Series, Part II Guam Visitors Bureau (23-11)

**Mandated Audits**

- Guam Economic Development Authority Coronavirus Relief Fund Expenditures (22-06)

**Audit Requests**

- Mayors’ Council of Guam Host Community Benefit Fund (22-03)
- Department of Revenue and Taxation Assessments and Collections of Excise Taxes for Alcoholic Beverage & Tobacco Products (23-02)
- Department of Revenue and Taxation Business Privilege Tax on Military Construction Contracts (23-03)
- Guam Economic Development Authority Procurement of Consultant Services for New Hospital Development (23-06)
- Chamorro Land Trust Commission Oversight of the Removal of Coral Material from the Guam International Raceway Park (23-08)

**Follow-Up**

- Government of Guam Analysis of Government of Guam Leases (22-04)
- Office of Public Accountability Status of Legislative Mandates (22-07)

**Hotline**

- Guam Department of Education Overtime Payments (23-04)
- Guam Contractors License Board Licensing and Investigation Procedures (23-09)

**Reports by Audit Focus**

Table 4 below summarizes the 18 audit reports with 83 recommendations between CY 2022 and CY 2023 by audit focus.

**Table 4: Reports by Audit Focus CY 2022 ~ CY 2023**

Audit Focus	No. of Reports	% to Total	No. of Recommendations			Total Financial Impact
			Closed	Open	Total	
Program Efficiency and Effectiveness	10	56%	36	17	53	\$ 38,288,967
Personnel	2	11%	3	3	6	\$ 1,142,633
Non-Appropriated Funds	-	-	-	-	0	-
Fund Accountability	4	22%	15	7	22	\$ 540,715
Procurement	2	11%	1	1	2	\$ 1,984,000
<b>Total</b>	<b>18</b>	<b>100%</b>	<b>55</b>	<b>28</b>	<b>83</b>	<b>\$ 41,956,315</b>

**Open Audit Recommendations CY 2001 ~ CY 2021**

Between CY 2001 and CY 2021, OPA issued 206 reports with 828 audit recommendations to improve government operations. These reports identified total financial impacts of \$1.01 billion

(B). As of September 2025, of the 828 audit recommendations, 754 have been closed. OPA is working with the auditees to close the remaining 74 open recommendations from the prior audits as shown in Table 5 below. Refer to Appendix 4 for the details of the open and recommendations.

**Table 5: Open Recommendations between CY 2016 and CY 2020**

<b>Year Issued</b>	<b>Report No.</b>	<b>Report Title</b>	<b>Open</b>
2016	16-04	Government of Guam Retirement Fund Effect of Non-Base Pay on Retirement Annuity	3
2016	16-05	Offices of the Governor and Lt. Governor's Employees' Pay Adjustments	1
2016	16-06	Government of Guam Limited Gaming Tax and Guam Memorial Hospital Authority Trust Fund Fees	2
2016	16-07	Guam Veterans Affairs Office Non-Appropriated Funds Follow-Up	6
2016	16-08	Government of Guam's Effectiveness in Addressing Individuals with Multiple Social Security Numbers	1
2016	16-11	Department of Administration Returned Checks Follow-Up Audit	3
2017	17-03	Guam Registration Board of Professional Engineers, Architects, and Land Surveyors Funds and Financial Practices Follow-Up Audit	1
2017	17-05	General Services Agency Procurement Practices	7
2017	17-08	Department of Revenue and Taxation Gross Receipts Tax Exemptions	1
2018	18-01	Guam Regional Transit Authority Procurement and Billing of Public Transit Services	3
2018	18-03	Department of Revenue and Taxation Real Property Tax Assessments and Exemptions	8
2018	18-06	Guam Regional Transit Authority Non-Appropriated Funds	5
2018	18-08	Guam Economic Development Authority Qualifying Certificate Community Cash Contributions	1
2019	19-01	Guam Memorial Hospital Authority Billing and Collections of True Self-Pay Accounts	1
2019	19-02	Department of Administration Special Revenue Funds	8
2019	19-03	Department of Revenue and Taxation Non-Profit Organization Limited Gaming Tax	4
2019	19-07	Department of Revenue and Taxation Bonded Warehouses for Tobacco Products	5
2019	19-08	University of Guam Guam Cancer Trust Fund	2
2020	20-01	Government of Guam Use Tax on Air Cargo	10
2020	20-03	Government of Guam Public Safety Overtime	2
<b>Total</b>			<b>74</b>

## **Management's Lack of Understanding of Internal Controls**

As this is our sixth report on the status of OPA recommendations, we have continually observed that government managers have not recognized the importance and benefits of implementing effective internal controls (checks and balances). In our reports from CY 2022 to CY 2023, we found ineffective billing and collection systems, loss of government revenues, deficient control procedures over non-appropriated funds, and lack of monitoring and oversight over government programs, i.e., non-productive and special payroll payments and procurement procedures.

Until a general understanding is embraced, audit findings such as insufficient monitoring and noncompliance with laws and regulations will continue along with the financial impacts. A key factor in improving accountability in achieving an entity's mission is to implement an effective internal control system.

The standards for Internal Control in the Federal Government issued by the U.S. Comptroller General, Government Accountability Office, are a valuable and straightforward guide for government managers. It provides the framework for an internal control system and describes the five components of internal control and the related principles. These standards and principles were adopted from the revised Internal Control – Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

COSO first released the framework in 1992 and it has been broadly accepted as the leading framework for designing and implementing internal controls as well as assessing their effectiveness. It was updated in 2013 to include 17 principles representing the fundamental concepts associated with each of the five components of internal control.

Effective internal controls provide reasonable, not absolute, assurance that errors or fraud will be prevented or detected in a timely manner. Government managers, not auditors, have a fundamental responsibility to develop and maintain effective internal controls within their agencies so that goals and objectives are met, and resources are safeguarded and used economically and efficiently. Management is also responsible for ensuring the organization is committed to sustaining an effective internal control environment. However, everyone within an organization, including the governing body, internal auditors, and other personnel, is responsible for good internal control.

Although the cost may cause managers to avoid implementing effective controls, ultimately, management is responsible for meeting objectives. In considering costs versus benefits, managers should allocate resources in areas of greatest risk, complexity, or other factors relative to achieving the entity's objectives.

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## Conclusion

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Between January 2001 and December 2023, OPA issued 224 reports with 911 audit recommendations to help improve the overall operations of GovGuam. To date, 89% or 809 recommendations have been closed through the agency's actions, the agency's submission of corrective action plans, the passage of legislation, or were determined by OPA to be no longer applicable under certain circumstances. OPA will continue to provide periodic reminders and follow-up letters to agencies' management to encourage implementation of the 102 total open recommendations from CYs 2001 – 2023.

Although it is part of our audit procedures to continue sending periodic reminders and follow-up letters to GovGuam entities to implement all open recommendations, we believe there are three key concepts that can aid in successful audit recommendation implementation:

1. Management recognizing the importance and benefits of implementing effective internal controls (checks and balances),
2. Management having a more proactive approach and being open to the audits and recommendations that aim to improve effectiveness and efficiency within their respective agencies, and
3. Elected officials and governing bodies can also encourage implementation through effective oversight.

Title 1 of the GCA §1913 allows OPA to file actions in the Superior Court of Guam to force the implementation of the recommendations. Bill 17-38 (COR) sought to clarify the statute by reorganizing its provisions, reaffirming that the OPA may file a writ of mandate with the Superior Court of Guam to enforce its recommendations. Although passed by the Guam Legislature, the measure was vetoed by the Acting Governor, with the message “the Organic Act requires [the] separation of powers so that each branch of government is responsible for the management of its own affairs, just as they are in the federal government under the U.S. Constitution.” The Acting Governor further stated that the bill would have given the Public Auditor authority to overstep this separation and “micromanage” all three branches of government.

It is not OPA's intent to “micromanage” or exercise the arduous and costly remedy to take when audit recommendations and corrective action plans are not implemented or a satisfactory explanation as to why such recommendations or corrective action plans have not been implemented by the agencies. However, we believe this mechanism is an important option for the extreme situation where agencies refuse to take action on audit recommendations.

OFFICE OF PUBLIC ACCOUNTABILITY



Benjamin J.F. Cruz  
Public Auditor

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## Appendix 1: Objective, Scope, and Methodology

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We reviewed the documentation submitted to OPA pertaining to recommendations issued from January 1, 2016 through December 31, 2023. We also reviewed the recommendations follow-up database maintained and updated periodically by OPA staff. The internal database was used to summarize the status of audit recommendations as of September 2025.

The following factors are considered prior to initiating audits: (1) enhancement of accountability systems and transparency of government operations; (2) inherent risks and results of risk assessments; (3) increasing efficiency, effectiveness, and performance of public services; (4) improvement of public policies and operational practices; (5) financial impact; and (6) social impact.

OPA audits are initiated through several methods:

- *Request*: Audits can be initiated at the written request of government officials.
- *Legislative Mandate*: Audits mandated by law that require OPA to conduct specific audits, reviews, or analyses.
- *OPA-Initiated*: Audits internally initiated resulting from consideration of risk factors prior to initiating audits.
- *Hotline*: Audits initiated from hotline tips, which are integral to OPA’s ability to further its mission of “*Auditing for good governance.*”
- *Spin-Off*: Audits derived from existing engagements, but were separated because the findings were not aligned with the nature or objective of the original engagement.
- *Follow-Up*: Audits based on whether an entity implemented the recommendations made in a previously issued audit report.

We conducted this performance audit in accordance with generally accepted government auditing standards contained in the *Government Auditing Standards*, issued by the Comptroller General of the United States of America. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

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**Appendix 2:**  
**Prior Audit Coverage**

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**OPA Report No. 07-18, Status of Audit Recommendations** *issued in December 2007*

OPA issued its first status report on audit recommendations for audit reports issued between CYs 2001 and 2006. During this six-year period, OPA issued 65 reports with 420 recommendations that identified \$74.1 million (M) in financial impact. All recommendations have been closed.

**OPA Report No. 10-02, Status of Audit Recommendations** *issued in May 2010*

The second status report covered audits issued between CY 2007s and 2009. During this three-year period, OPA issued 35 reports with 85 recommendations that identified \$35.4M in financial impact. All recommendations have been closed.

**OPA Report No. 12-09, Status of Audit Recommendations** *issued in December 2012*

The third status report covered audits issued between CYs 2010 and 2011. During this two-year period, OPA issued 21 reports with 77 recommendations that identified \$33.9M in financial impact. All recommendations have been closed.

**OPA Report No. 16-10, Status of Audit Recommendations** *issued in December 2016*

The fourth status report covered audits between CYs 2012 and 2015. During this four-year period, OPA issued 30 reports with 64 recommendations that identified \$78.8M in financial impact. All recommendations have been closed.

**OPA Report No. 23-01, Status of Audit Recommendations** *issued in January 2023*

The fifth status report covered audits between CYs 2016 and 2021. During this six-year period, OPA issued 55 reports with 182 recommendations that identified \$794.0M in financial impact. As of September 2025, 74 recommendations remain open.

**Appendix 3:**  
**CY 2001 ~ CY 2023 Financial Impact Summary**

Year Issued	No. of Reports	No. of Recommendations	Financial Impact			
			Questioned Costs	Unrealized Revenue	Others	Total
2001	3	31	\$ 354,490	\$ -	\$ -	\$ 354,490
2002	9	96	\$ 3,326,827	\$ 145,496	\$ 5,973	\$ 3,478,296
2003	11	77	\$ 20,262,045	\$ 2,495,850	\$ 4,070,292	\$ 26,828,187
2004	14	91	\$ 13,102,656	\$ 2,602,595	\$ 655,802	\$ 16,361,053
2005	9	49	\$ 2,434,330	\$ 1,045,536	\$ 2,706,022	\$ 6,185,888
2006	19	76	\$ 6,751,426	\$ 3,237,794	\$ 10,938,428	\$ 20,927,648
2007	18	51	\$ 1,308,995	\$ 6,484,259	\$ 16,489,457	\$ 24,282,711
2008	10	28	\$ 9,687,839	\$ -	\$ -	\$ 9,687,839
2009	7	6	\$ 1,081,539	\$ 305,482	\$ -	\$ 1,387,021
2010	9	38	\$ 19,539,597	\$ -	\$ 3,060,375	\$ 22,599,972
2011	12	39	\$ 4,021,767	\$ 271,098	\$ 6,994,675	\$ 11,287,540
2012	9	24	\$ 4,130,871	\$ 26,175	\$ 166,679	\$ 4,323,725
2013	6	17	\$ 897,888	\$ 15,696,245	\$ -	\$ 16,594,133
2014	7	10	\$ 337,683	\$ 4,945,911	\$ 5,295,526	\$ 10,579,120
2015	8	13	\$ 633,991	\$ 3,658	\$ 46,662,870	\$ 47,300,519
2016	11	25	\$ 6,446,075	\$ 13,887,379	\$ 70,978	\$ 20,404,432
2017	9	23	\$ 182,303,624	\$ 210,704,479	\$ 273,642,070	\$ 666,650,173
2018	8	34	\$ 1,209,160	\$ 40,396,566	\$ 5,553,025	\$ 47,158,751
2019	9	46	\$ 45,599,615	\$ -	\$ 5,913,446	\$ 51,513,061
2020	9	35	\$ 310,635	\$ 1,647,395	\$ -	\$ 1,958,030
2021	9	19	\$ 6,211,214	\$ -	\$ 105,650	\$ 6,316,864
2022	7	31	\$ 382,749	\$ -	\$ 660,544	\$ 1,043,293
2023	11	52	\$ 19,024,581	\$ 12,808,779	\$ 9,079,662	\$ 40,913,022
<b>Total</b>	<b>224</b>	<b>911</b>	<b>\$ 349,359,597</b>	<b>\$ 316,704,697</b>	<b>\$ 392,071,474</b>	<b>\$ 1,058,135,768</b>

Notes:

1. Savings identified were included as part of "Others" column of the financial impact.
2. Refer to Appendix 4 for the financial impact of individual reports between CY 2022 and CY 2023.

**Audit Recommendations Status by Report Number CY 2022 ~ CY 2023**

Report No., Title Issue Date / Initiated By / Auditee Agency Deficiency Noted	No. Of Recommendations			Financial Impact				
	Closed	Open	Total	Questioned Costs	Potential Savings	Unrealized Revenue	Others	Total
<b>No. 22-01, Autonomous Agency Collections Fund</b> March 2022 / Initiated by OPA / Auditee: Government of Guam  The special revenue fund was not being utilized in accordance with its originally intended purpose. The AACF was created in 1985 as a transfer policy, or payment-in-lieu-of-taxes, for the Guam Power Authority (GPA), Port Authority of Guam (PAG), and Guam International Airport Authority (GIAA) for their benefit of services provided by the General Fund.	-	1	1	\$ -	\$ -	\$ -	\$ -	\$ -
<b>No. 22-02, General Services Agency Procurement of Consultation for GBHWC - Criminal Justice Program</b> March 2022 / Initiated by Hotline / Auditee: General Services Agency  Because this was a special professional service, Guam Behavioral Health and Wellness Center (GBHWC) could have acted as the purchasing agency instead of GSA and utilized the competitive sealed bid procurement method by issuing a Request for Proposal (RFP) on their own.	1	-	1	\$ -	\$ -	\$ -	\$ -	\$ -
<b>No. 22-03, Mayors' Council of Guam Host Community Benefit Fund</b> July 2022 / Initiated by OPA / Auditee: Mayors' Council of Guam  The overall management and usage of the HCBF was not entirely in accordance with applicable laws, regulations and best practices.	8	6	14	\$ 114,000	\$ -	\$ -	\$ -	\$ 114,000
<b>No. 22-04, Analysis of Government of Guam Leases</b> October 2022 / Initiated by OPA / Auditee: Government of Guam  In almost seven years, GovGuam has continued to increase its annual cost for leasing commercial spaces (office and other) from \$12.5 million (M) for 493,097 sq. ft. in fiscal year (FY) 2015 to \$15.7M for 582,396 sq. ft. in FY 2022, a difference of \$3.2M for an additional 89,299 square feet (sq. ft.) of space.	1	1	2	\$ -	\$ -	\$ -	\$ -	\$ -

**Audit Recommendations Status by Report Number CY 2022 ~ CY 2023**

Report No., Title Issue Date / Initiated By / Auditee Agency Deficiency Noted	No. Of Recommendations			Financial Impact				
	Closed	Open	Total	Questioned Costs	Potential Savings	Unrealized Revenue	Others	Total
<b>No. 22-05, Port Authority of Guam, Back Wages Part C</b> November 2022 / Initiated by OPA / Auditee: Port Authority of Guam.  We found deficiencies in documentation, deviations from certain provisions of Port Personnel Rules and Regulations (PRR) resulting in potential overpayments or lost savings, lack of or conflicting Notification of Personnel Actions (NPAs), payment of back wages to a retired employee, and other matters of concern. In this audit, questioned costs amounted to \$212 thousand (K) with a total financial impact of \$503K.	3	-	3	\$212,011	-	-	\$290,567	\$502,578
<b>No. 22-06, Coronavirus Relief Fund Expenditures Part II</b> November 2022 / Initiated by OPA / Auditee: Guam Economic Development Authority  Although we commend GEDA for working swiftly to provide financial relief, we found some deficiencies in the processes and some internal control lapses. We found questioned costs totaling \$56.7K and total financial impact of \$426.7K.	7	-	7	\$56,738	-	-	\$369,977	\$426,715
<b>No. 22-07, Office of Public Accountability Status of Legislative Mandates</b> December 2022 / Initiated by Mandate / Auditee: Office of Public Accountability  There are 67 (or 85%) of the 79 mandates that have been closed.	-	3	3	-	-	-	-	-
<b>No. 23-01, Office of Public Accountability Status of Audit Recommendations</b> January 2023 / Initiated by Follow-up / Auditee: Office of Public Accountability  Our review of the Office of Public Accountability (OPA) status of audit recommendations revealed that between calendar years (CY) 2016 and 2021, 55 audit reports were issued with 182 recommendations.	-	-	-	-	-	-	-	-

**Audit Recommendations Status by Report Number CY 2022 ~ CY 2023**

Report No., Title Issue Date / Initiated By / Auditee Agency Deficiency Noted	No. Of Recommendations			Financial Impact				
	Closed	Open	Total	Questioned Costs	Potential Savings	Unrealized Revenue	Others	Total
<b>No. 23-02, Department of Revenue and Taxation Assessments and Collections of Excise Taxes for Alcoholic Beverages and Tobacco Products</b> February 2023 / Initiated by Request / Auditee: Department of Revenue and Taxation.  The Department of Revenue and Taxation's (DRT) assessments and collections of excise taxes imposed upon alcoholic beverages and tobacco products .	2	3	5	-	-	-	-	-
<b>No. 23-03, Department of Revenue and Taxation Business Privilege Tax on Military Construction Contracts</b> March 2023 / Initiated by OPA / Auditee: Department of Revenue and Taxation  Our performance audit of the DRT - Business Privilege Tax (BPT) on military construction contracts covering FYs 2016-2020 disclosed several deficiencies.	8	-	8	\$579,164	-	\$12,808,779	\$9,065,093	\$22,453,036
<b>No. 23-04, Guam Department of Education Overtime Payments</b> April 2023 / Initiated by OPA / Auditee: Guam Department of Education  The OPA uncovered significant internal control deficiencies in overtime (OT) payments .	-	3	3	\$640,055	-	-	-	\$640,055

**Audit Recommendations Status by Report Number CY 2022 ~ CY 2023**

Report No., Title Issue Date / Initiated By / Auditee Agency Deficiency Noted	No. of Recommendations			Financial Impact				
	Closed	Open	Total	Questioned Costs	Potential Savings	Unrealized Revenue	Others	Total
<p><b>No. 23-05, Government of Guam COVID-19 Quarantine and Isolation Facilities Utilization Analysis</b> April 2023 / Initiated by OPA / Auditee: Government of Guam</p> <p>Our audit of the Government of Guam’s (GovGuam) utilization of the Coronavirus Disease 2019 (COVID-19) quarantine and isolation facilities from March 2020 to April 2022 found that 206,405 occupied rooms accounted for \$49M were utilized at 74% while 122,424 unoccupied rooms accounted for \$12M were utilized at 44%.</p>	-	3	3	\$15,700,000	-	-	-	\$15,700,000
<p><b>No. 23-06, Guam Economic Development Authority Procurement of Consultant Services for New Hospital Development</b> August 2023 / Initiated by OPA / Auditee: Guam Economic Development Authority</p> <p>We found that GEDA was not in compliance with Guam procurement law and regulations, specifically for: (1) not making a written determination until after the RFP was issued, (2) executing an IDIQ type contract, and (3) utilizing the Consultant services beyond the scope of the RFP.</p>	-	1	1	\$1,984,000	-	-	-	\$1,984,000
<p><b>No. 23-07, GDOE Education Stabilization Fund Expenditures</b> August 2023 / Initiated by OPA / Auditee: Department of Education.</p> <p>This flash report presents the expenditures made by the Guam Department of Education (GDOE) during the Coronavirus Disease 2019 (COVID-19) pandemic, funded by the Education Stabilization Fund (ESF).</p>	-	-	-	-	-	-	-	-

**Audit Recommendations Status by Report Number CY 2022 ~ CY 2023**

Report No., Title Issue Date / Initiated By / Auditee Agency Deficiency Noted	No. Of Recommendations			Financial Impact				
	Closed	Open	Total	Questioned Costs	Potential Savings	Unrealized Revenue	Others	Total
<p><b>No. 23-08, Chamorro Land Trust Commission Oversight of the Removal of Coral Material from the Guam International Raceway Park</b> September 2023 / Initiated by OPA / Auditee: Chamorro Land Trust Commission</p> <p>Our analysis of coral/top soil extraction from the Guam International Raceway Park (Raceway) found that there was a lack of consistent oversight and monitoring of the Guam Racing Federation (GRF)'s management and operations of the raceway between June 1, 1998 and January 31, 2023, by the Guam Economic Development Authority (GEDA) and the Chamorro Land Trust Commission (CLTC). As a result, the total volume of materials extracted and how much total revenue was due to CLTC cannot be determined</p>	-	3	3	-	-	-	-	-
<p><b>No. 23-09, Guam Contractors License Board Licensing and Investigation Procedures</b> November 2023 / Initiated by OPA / Auditee: Guam Contractors License Board</p> <p>Our audit of the Guam Contractors License Board (CLB) revealed several significant findings related to its standard operating procedures (SOPs) in the areas of licensing and investigation. CLB's licensing procedures revealed weaknesses resulting in the noncompliance of new and renewal applications records, the stoppage of the further issuance of the C-68 classification specialty, dated licensing examinations, and concerns with the sole authority of the CLB Executive Director to issue licenses.</p>	6	1	7	-	-	-	-	-

**Audit Recommendations Status by Report Number CY 2022 ~ CY 2023**

Report No., Title Issue Date / Initiated By / Auditee Agency Deficiency Noted	No. Of Recommendations			Financial Impact				
	Closed	Open	Total	Questioned Costs	Potential Savings	Unrealized Revenue	Others	Total
<b>No. 23-10, Government-Wide Credit/Debit Card Use Series, Part I Guam Power Authority and Guam Waterworks Authority</b> December 2023 / Initiated by OPA / Auditee: Guam Power Authority and Guam Waterworks Authority From Fiscal Year (FY) 2020 to FY 2022, the Guam Power Authority (GPA) and the Guam Waterworks Authority (GWA) officials used their corporate credit cards contrary to or not in compliance with certain provisions of the Guam Procurement Law and Regulations, the Government Travel Law, and their own credit card policies	12	3	15	\$98,252	-	-	\$2,569	\$100,821
<b>No. 23-11, Government-Wide Credit/Debit Card Use Series, Part II Guam Visitors Bureau</b> December 2023 / Initiated by OPA / Auditee: Guam Visitors Bureau From Fiscal Years (FY) 2020 to FY 2022, the Guam Visitors Bureau (GVB) officials used their corporate credit cards not in compliance with certain provisions of its credit card policy and procedures and the Guam Procurement Law and Regulations. Questioned costs were \$23K (or 29%) of the \$79K total credit card expenditures. Based on our review, we did not identify any instances of fraud or abuse.	7	-	7	\$23,110	-	-	\$12,000	\$35,110
<b>Total:</b>	55	28	83	\$ 19,407,330	\$ -	\$ 12,808,779	\$ 9,740,206	\$ 41,956,315
<b>Total 2022:</b>	20	11	31	\$ 382,749	-	\$ -	\$ 660,544	\$ 1,043,293
<b>Total 2023:</b>	35	17	52	\$ 19,024,581	-	\$ 12,808,779	\$ 9,079,662	\$ 40,913,022

**Appendix 5:  
Open Audit Recommendations by Calendar Year**

Year Issued	Report No.	Report Title	Primary Addressee	RECOMMENDATION		Status
				No.	Description	
2022	22-01	Autonomous Agency Collections Fund	Guam Legislature	1	We recommend the Guam Legislature repeal 5 GCA §22421.	Open
	22-03	Mayor's Council of Guam (MCOG) Host Community Benefit Fund (HCBF)	Chalan Pago-Ordot (CPO) Mayor's Office	1	Exercise due diligence in ensuring that requests for humanitarian assistance are processed and issued in accordance with applicable procedures.	Open
		Mayor's Council of Guam Host Community Benefit Fund	Chalan Pago-Ordot Mayor's Office	2	Perform their due diligence in soliciting the minimum of three (3) quotations and preparing other necessary documents for applicable purchases pursuant to the MCOG Standard Operating Procedures.	Open
		Mayor's Council of Guam Host Community Benefit Fund	Chalan Pago-Ordot Mayor's Office	3	Prior to any future disbursements, the Inalahan and CPO Mayors present resolutions to their MPCs seeking approval of expenditures, to come into compliance with 10 GCA §51406.	Open
		Mayor's Council of Guam Host Community Benefit Fund	Chalan Pago-Ordot Mayor's Office	5	Comply with the requirement to seek approval from the Department of Public Works for the construction projects within the threshold of Fifty Thousand Dollars (\$50,000) pursuant to Article 1 §0101(c) of the MCOG Standing Operating Procedures and procurement law.	Open
		Mayor's Council of Guam Host Community Benefit Fund	Chalan Pago-Ordot Mayor's Office	6	Properly notice and broadcast its village MPC meeting in accordance with Public Law 36-34/Open Government Law.	Open
		Mayor's Council of Guam Host Community Benefit Fund	Chalan Pago-Ordot Mayor's Office	7	Perform due diligence in issuing Form 1099-NEC to its vendors for applicable HCBF disbursements in excess of \$600.	Open

## Open Audit Recommendations by Calendar Year

Year Issued	Report No.	Report Title	Primary Addressee	RECOMMENDATION		Status
				No.	Description	
2022	22-04	Government of Guam Analysis of Government of Guam Leases	The Governor	2	Appoint a central agency to regulate and monitor the procurement of leases, as well as to prioritize investment towards existing GovGuam buildings.	Open
	22-07	Office of Public Accountability Status of Legislative Mandates	Guam Legislature	1	Revisit ongoing/periodic mandates, repeal those considered inactive and determine if those not addressed require attention.	Open
		Office of Public Accountability Status of Legislative Mandates	Guam Legislature	2	Eliminate written report submissions by GovGuam agencies and limit the reporting requirements to website posting at the agency level and email notifications to the required parties (i.e., Governor, Speaker, Public Auditor, etc.) with attachments.	Open
		Office of Public Accountability Status of Legislative Mandates	Guam Legislature	3	Provide incentive for agencies to comply with reporting mandates.	Open
2023	23-02	Department of Revenue and Taxation Assessments and Collections of Excise Taxes for Alcoholic Beverages & Tobacco Products	Guam Legislature	1	We recommend the repeal of any provision of law that allows the delay of tax payments and that all taxes due for alcoholic beverages and tobacco products be collected immediately upon receipt of shipments at all ports of entry.	Open
		Department of Revenue and Taxation Assessments and Collections of Excise Taxes for Alcoholic Beverages & Tobacco Products	DRT Management	3	We recommend for DRT Management to enforce strict licensee compliance with the Guam Business License Law to ensure that all licensees are, in fact, current with tax debts.	Open

**Appendix 5:**  
**Open Audit Recommendations by Calendar Year**

Year Issued	Report No.	Report Title	Primary Addressee	RECOMMENDATION		Status
				No.	Description	
2023	23-02	Department of Revenue and Taxation Assessments and Collections of Excise Taxes for Alcoholic Beverages & Tobacco Products	DRT Management & CQA Management	5	We recommend that DRT use Tracer Forms and require taxpayers to submit copies of Bills of Lading (where applicable) and invoices upon filing tax returns for all alcoholic beverages and tobacco products.	Open
	23-04	Guam Department of Education Overtime Payments	GDOE Management	1	Adhere to local law and comply with Personnel Rules and Regulations and Standard Operating Procedures.	Open
		Guam Department of Education Overtime Payments	GDOE Management	2	Seek the recovery of local funds paid to ineligible exempt employees and payments given to eligible employees whose timesheets were improperly certified.	Open
		Guam Department of Education Overtime Payments	GDOE Management	3	Examine removing the Federal Programs Administrator from oversight and management of federal grants as outlined in 5 GCA §22306.	Open

**Open Audit Recommendations by Calendar Year**

Year Issued	Report No.	Report Title	Primary Addressee	RECOMMENDATION		Status
				No.	Description	
2023	23-05	Government of Guam COVID-19 Quarantine and Isolation Facilities Utilization Analysis	Guam Homeland Security	1	Homeland Security Administrator or designee work with the Department of Administration (DOA) to formalize standard operating procedures for billing/invoices verification.	Open
		Government of Guam COVID-19 Quarantine and Isolation Facilities Utilization Analysis	DOA	2	DOA Director or designee, if feasible, expand the review of billed invoices to determine the: A.) Accuracy of vendors' billings; B.) Unpaid invoices; and C.) Paid invoices not included in the DOA internal expenditure report.	Open
		Government of Guam COVID-19 Quarantine and Isolation Facilities Utilization Analysis	Guam Homeland Security	3	Improve the Guam National Guard report to include accurate and relevant information as an effective tool to review.	Open
	23-06	Guam Economic Development Authority Procurement of Consultant Services for New Hospital Development	GEDA	1	Should GEDA still require the Consultant services, we recommend they immediately issue a new RFP and ensure compliance with all applicable procurement laws and regulations.	Open

**Appendix 5:  
Open Audit Recommendations by Calendar Year**

Year Issued	Report No.	Report Title	Primary Addressee	RECOMMENDATION		Status
				No.	Description	
2023	23-08	Chamorro Land Trust Commission Oversight of the Removal of Coral Material from the Guam International Raceway Park	CLTC Management	1	Establish an SOP for invoicing and collecting royalty fees accompanied by supporting documents of the nature of the invoice such as a statement of activity issued by the contracted company.	Open
		Chamorro Land Trust Commission Oversight of the Removal of Coral Material from the Guam International Raceway Park	CLTC Management	2	Establish policies with Commissioners to ensure that all tenants meet their obligations before entertaining new motions.	Open
		Chamorro Land Trust Commission Oversight of the Removal of Coral Material from the Guam International Raceway Park	CLTC Management	3	Clearly define in statute all terms associated with activities of earth excavation and to identify or establish jurisdiction of the development or exploitation of natural resources on CLTC property or to include statutory requirements regulated by the GNRB.	Open
	23-09	Guam Contractors License Board Licensing and Investigation Procedures	CLB Management	2	CLB conduct a comprehensive review and update examinations to align with Guam's adopted 2009 edition of International Building Code and current industry practices and regulations.	Open

**Open and Audit Recommendations by Calendar Year**

Year Issued	Report No.	Report Title	Primary Addressee	RECOMMENDATION		Status
				No.	Description	
2023	23-10	Government-Wide Credit/Debit Card Use Series, Part I Guam Power Authority and Guam Waterworks Authority	Administrative staff	3	Follow small purchase requirements when preparing Travel Authorizations (TAs).	Open
		Government-Wide Credit/Debit Card Use Series, Part I Guam Power Authority and Guam Waterworks Authority	Accounting	4	Ensure that the TA packet contains the required number of written quotations before routing it for management approval.	Open
		Government-Wide Credit/Debit Card Use Series, Part I Guam Power Authority and Guam Waterworks Authority	Chief Financial Officer	7	Revisit and align the GWA's travel SOP to the travel law.	Open

Open Recommendations 28

Total 28

**Audit Recommendations Addressed to the Guam Legislature and the Governor**

Year Issued	Report No.	Report Title	Addressee	RECOMMENDATION		Status
				No.	Description	
2022	22-01	Autonomous Agency Collections Fund	Guam Legislature	1	We recommend the Guam Legislature repeal 5 GCA §22421.	Open
	22-04	Government of Guam Analysis of Government of Guam Leases	Governor	2	Appoint a central agency to regulate and monitor the procurement of leases, as well as to prioritize investment towards existing GovGuam buildings.	Open
	22-07	Office of Public Accountability Status of Legislative Mandates	Guam Legislature	1	Revisit ongoing/periodic mandates, repeal those considered inactive and determine if those not addressed require attention.	Open
		Office of Public Accountability Status of Legislative Mandates	Guam Legislature	2	Eliminate written report submissions by GovGuam agencies and limit the reporting requirements to website posting at the agency level and email notifications to the required parties (i.e., Governor, Speaker, Public Auditor, etc.) with attachments.	Open
		Office of Public Accountability Status of Legislative Mandates	Guam Legislature	3	Provide incentive for agencies to comply with reporting mandates.	Open
	2023	23-02	Department of Revenue and Taxation Assessments and Collections of Excise Taxes for Alcoholic Beverages & Tobacco Products	Guam Legislature	1	We recommend the repeal of any provision of law that allows the delay of tax payments and that all taxes due for alcoholic beverages and tobacco products be collected immediately upon receipt of shipments at all ports of entry.
Department of Revenue and Taxation Assessments and Collections of Excise Taxes for Alcoholic Beverages & Tobacco Products			Guam Legislature	4	We recommend that the legislation for the authorization to conduct an annual financial audit of the Healthy Futures Fund (HFF) shall be continuous, so long as the collections of excise taxes for alcoholic beverages and tobacco products are deposited into the HFF.	Open

**Appendix 7:**  
**Report by Audit Focus CY 2022~CY 2023**

Total Financial Impact	No. of Recommendations			Total Financial Impact
	Closed	Open	Total	
Program Efficiency and Effectiveness	36	17	53	\$ 38,288,967
Personnel	3	3	6	\$1,142,633
Non-Appropriated Funds	-	-	-	-
Fund Accountability	15	7	22	\$540,715
Procurement	1	1	2	\$1,984,000
<b>Total</b>	<b>55</b>	<b>28</b>	<b>83</b>	<b>\$41,956,315</b>

**Program Efficiency and Effectiveness**

Report No. and Title	No. of Recommendations			Total Financial Impact
	Closed	Open	Total	
No. 22-04, Government of Guam Analysis of Government of Guam Leases	1	1	2	-
No. 22-07, Office of Public Accountability Status of Legislative Mandates	-	3	3	-
No. 23-01, Office of Public Accountability Status of Audit Recommendations	-	-	-	-
No. 23-02, Department of Revenue and Taxation Assessments and Collections of Excise Taxes for Alcoholic Beverages and tobacco Products	2	3	5	-
No. 23-03, Department of Revenue and Taxation Business Privilege Tax on Military Construction Contracts	8	-	8	\$22,453,036

## Report by Audit Focus CY 2022 ~ CY 2023

### Program Efficiency and Effectiveness

Report No. and Title	NO. OF RECOMMENDATIONS			Total Financial Impact
	Closed	Open	Total	
No. 23-05, Government of Guam COVID-19 Quarantine and Isolation Facilities Utilization Analysis	-	3	3	\$15,700,000
No. 23-08, Chamorro Land Trust Commission Oversight of the Removal of Coral Material from the Guam International Raceway Park	-	3	3	-
No. 23-09, Guam Contractors License Board Licensing and Investigation Procedures	6	1	7	-
No. 23-10, Government-Wide Credit/Debit Card Use Series, Part I Guam Power Authority and Guam Waterworks Authority	12	3	15	\$100,821
No. 23-11, Government-Wide Credit/Debit Card Use Series, Part I Guam Visitors Bureau	7	-	7	\$35,110
<b>Total</b>	<b>36</b>	<b>17</b>	<b>53</b>	<b>\$38,288,967</b>

**Appendix 7:**  
**Report by Audit Focus CY 2022~CY 2023**

**Personnel**

Report No. and Title	NO. OF RECOMMENDATIONS			Total Financial Impact
	Closed	Open	Total	
No. 22-05, Port Authority of Guam's Back Wages Series, Part C	3	-	3	\$ 502,578
No. 23-04, Guam Department of Education Overtime Payments	-	3	3	\$ 640,055
<b>Total</b>	<b>3</b>	<b>3</b>	<b>6</b>	<b>\$1,142,633</b>

**Fund Accountability**

Report No. and Title	NO. OF RECOMMENDATIONS			Total Financial Impact
	Closed	Open	Total	
No. 22-01, Autonomous Agency Collections Fund	-	1	1	-
No. 22-03, Mayors' Council of Guam Host Community Benefit Fund	8	6	14	\$ 114,000
No. 22-06, Guam Economic Development Authority Coronavirus Relief Fund Expenditures Part II	7	-	7	\$ 426,715
No. 23-07 Guam Department of Education Education Stabilization Fund Expenditures	-	-	-	-
<b>Total</b>	<b>15</b>	<b>7</b>	<b>22</b>	<b>\$540,715</b>

**Appendix 7:**  
**Report by Audit Focus CY 2022 ~ CY 2023**

**Procurement**

Report No. and Title	NO. OF RECOMMENDATIONS			Total Financial Impact
	Closed	Open	Total	
No. 22-02, General Services Agency Procurement of Consultation for GBHWC - Criminal Justice Program	1	-	1	\$ -
No. 23-06, Guam Economic Development Authority Procurement of Consultant Services for New Hospital Development	-	1	1	\$ 1,984,000
<b>Total</b>	<b>1</b>	<b>1</b>	<b>2</b>	<b>\$ 1,984,000</b>

# OFFICE OF PUBLIC ACCOUNTABILITY STATUS OF AUDIT RECOMMENDATIONS Report No. 25-09, September 2025

## ACKNOWLEDGEMENTS

### ***Key contributions to this report were made by:***

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## MISSION STATEMENT

We independently conduct audits and administer procurement appeals to safeguard public trust and promote good governance for the people of Guam.

## VISION

The Government of Guam is the standard of public trust and good governance.

## CORE VALUES

### **Objective**

To have an independent and impartial mind.

### **Professional**

To adhere to ethical and professional standards.

### **Accountable**

To be responsible and transparent in our actions.

## REPORTING FRAUD, WASTE, AND ABUSE

- Call our HOTLINE at 47AUDIT(472.8348)
- Visit our website at [www.opaguam.org](http://www.opaguam.org)
- Call our office at 475.0390
- Fax our office at 472.7951
- Or visit us at Suite 401 DNA Building in Hagåtña

All information will be held in strict confidence.



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