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September 1, 2015

MEMORANDUM

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

In compliance with Citizen-Centric Report Public Law 30-127, attached is the pdf email attachment of CCR FY2014.

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

Sincerely,

Dave N. Sanford
Executive Director

Attachments: PDF CCR FY2014

Guam Board of Accountancy

A Report to Our Citizens

Fiscal Year 2014

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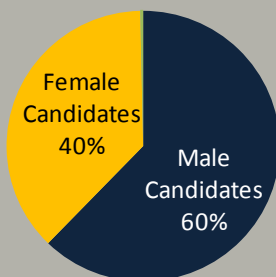
Management

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

Board Members

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

Guam CPA Candidates:



- Average Age is 33 years old
- 83% are of Foreign Residency

Degree Type	Candidate Count
Bachelor's Degree	422
Advanced Degree	77



About Us

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

Our Purpose and Goals

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

Licensing and the CPA exam

GUAM Candidates' Exam Performance

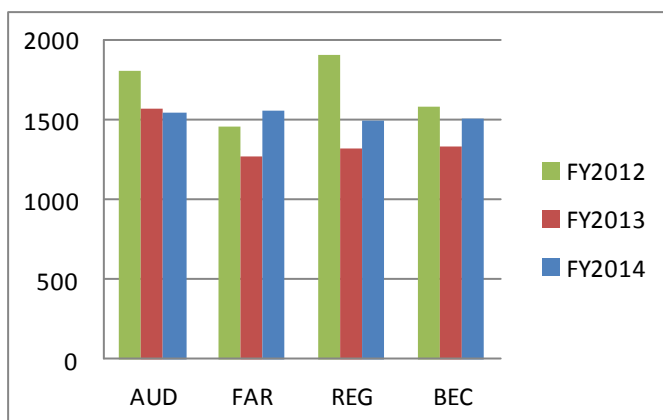
FY2014			
Quarter	Sitting	Avg. Score	% Pass
2013Q4	399	67.6	41.6%
2014Q1	360	70.2	42.4%
2014Q2	379	70.3	43.2%
2014Q3	417	66.1	35.2%

Passing score = 75.0

GUAM COMPUTER TEST CENTER Performance

Candidates Origin	FY2012	FY2013	FY2014
Korea	3,243	2,750	3,394
Japan	1,619	312	125
China, Taiwan, HongKong	1,315	1,717	2,458
Other	593	716	154

TOTAL CPA EXAM SECTIONS ADMINISTERED BY THE GUAM COMPUTER TEST CENTER: FY2012— FY2014



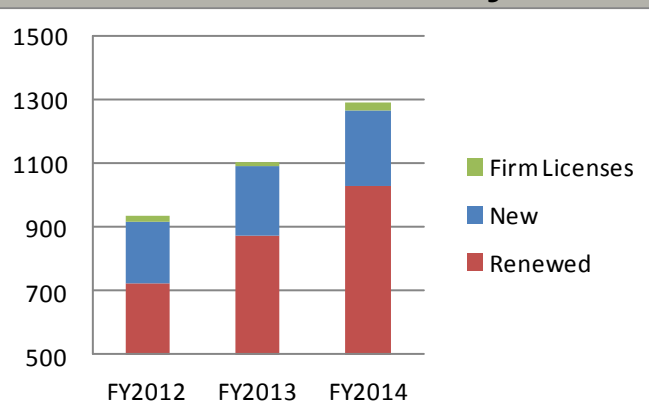
GUAM CPA License Types

- Active Attest: may perform all engagements
- Active Non-Attest: may perform all engagements except attest or assurance service engagements
- Inactive or Retired: may not offer to perform, or perform, any public accounting services
- Deceased, Revoked, Cancelled: self-explanatory
(Note: only Active licensees must comply with annual CPE requirements)

Guam Licensing Requirements

1. A baccalaureate degree, or equivalent, with 24 semester hours of upper division accounting courses and 24 semester hours of upper division business courses
2. Completion of the uniform CPA examination
3. Two years of experience (one year for applicants with 150 semester hours of education) performing auditing or accounting-related duties acceptable to the Board and verified by an actively licensed CPA. Attest engagement licensure requires at least 1,000 hours of audit experience under the direct supervision of a CPA authorized to sign audit reports.

FY2014 License Activity



At 9/30/2014, Guam had 1,480 currently regulated licensees, including 278 Attest, 243 Non-Attest, 41 Firm, 510 Inactive and 408 delinquent licensees.

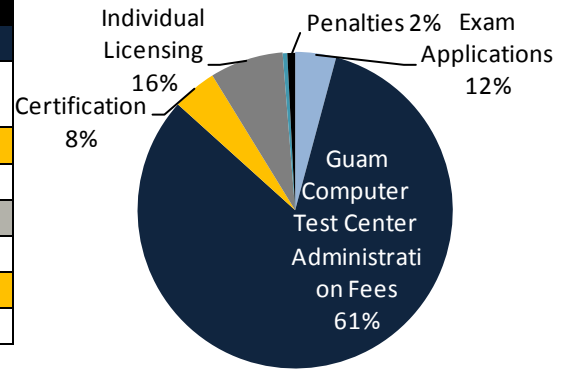
Our Finances



Revenues

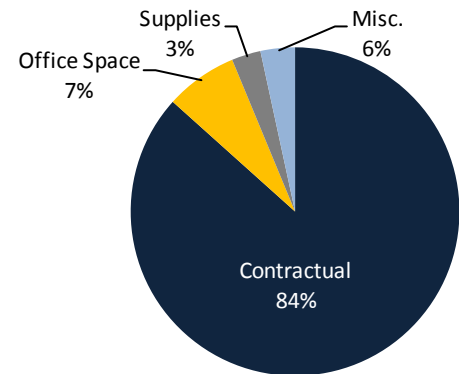


	FY2012	FY2013	FY2014
	Actual	Actual	Actual
Guam Computer Test Center	\$402,985	\$391,490	\$397,870
Individual Licensing Fees	72,425	87,100	102,925
Certification Fees	42,875	49,200	54,200
Exam Application Fees	66,976	79,050	80,300
Penalties/Miscellaneous Fees/Interest	8,840	10,590	9,560
Firm Licensing Fees	4,025	3,800	5,325
TOTAL REVENUES	\$598,126	\$621,230	\$650,180



Expenditures

	FY2012	FY2013	FY2014
	Actual	Actual	Actual
Contractual			
Administrative Services Contract	\$272,707	\$274,867	\$275,721
Others (Publications, Dues, etc.)	14,392	22,475	14,200
Copier Services	5,529	5,920	6,136
Education and Testing	15,255	0	4,325
Office Space	23,868	23,868	23,868
Supplies	8,603	10,174	9,429
Small Equipment	2,689	2,907	1,319
Miscellaneous			
Postage	12,466	11,990	15,266
Notices/Compliance Investigations/ Others	1,978	2,691	1,774
Training	50	50	0
Bank Charges	2,322	4,784	5,392
TOTAL EXPENDITURES	\$359,858	\$359,726	\$357,429
NET EXCESS REVENUES OVER	\$238,268	\$261,505	\$292,751



- Fund Balance as of 9/30/2014 consisted of \$1,039,000 in Restricted funds and \$672,860 in Unrestricted funds. The Restricted Fund Balance is calculated to cover three years; operating expenses in the event international testing spreads to China and Korea, thus practically eliminating the current Guam Computer Test Center revenue stream.
- In FY2015 (December 2014), the Board consummated its \$1mm donation to the University of Guam Endowment Foundation to establish the Guam Accountancy Endowment Fund.

FY2014 Highlights



Summary of Events

October 2013 - September 2014

HAPPY ANNIVERSARY GUAM COMPUTER TESTING CENTER!

NASBA celebrated its 10th anniversary of operating the Guam Computer Testing Center (GCTC) under contract with the Board. Offering the national CPA exam locally since 2004, the GCTC has administered over 87,200 exam sections to more than 18,600 unique CPA exam candidates, thus attracting over 2,000 off-island visitors to Guam annually, generating over \$2mm in annual Guam tourism receipts.

The HERMINIA DIERKING and JOHN PHILLIPS Visiting Professor and Lecturer Program

The late Senator Ben Pangelinan introduced Bill 303-32, put forth by the Board, to appropriate \$1mm from the Board's fund balance to the University of Guam Endowment Fund for the creation of the Guam Accountancy Endowment Fund under an "Agency Advised Endowment Fund Agreement". Named to honor pioneering UOG accounting professors Herminia Dierking and John Phillips, the program aims to enhance the University of Guam (UOG) School of Business Accountancy Degree Program.

UOG revised the Becker CPA Exam Review curriculum such that one subject would be taught during a term, rather than all three. The UOG MOU with the Board for reimbursement of students' materials costs was revised accordingly to accommodate the course availability revisions.

AICPA released a Uniform Accountancy Act Exposure Draft re: Firm Mobility, approved the Revised Code of Professional Conduct and launched the Practice Analysis for the 2016 CPA exam update, targeted for implementation in 2017.

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



Celebrating more than 100 years of service as a forum for the nation's Boards of Accountancy, which administer the Uniform CPA Examination, license more than 700,000 certified public accountants and regulate the practice of public accountancy in the United States. NASBA's mission is to enhance the effectiveness and advance the common interests of the 55 Boards of Accountancy in meeting their regulatory responsibilities. NASBA is headquartered in Nashville, TN, with satellite offices in New York, NY, and San Juan, PR, and **an International Computer Testing and Call Center in Guam**. To learn more, visit www.nasba.org.



The Guam Board of Accountancy Standing Committee responsible for oversight of the Guam Accountancy Endowment Fund is comprised of:

» Standing Committee Chair:

- Chairperson, Guam Board of Accountancy
- » Committee Members appointed by the Committee Chair from among the following:
 - additional GBA board members desiring to serve
 - Senior Vice President, UOG Academic and Student Affairs
 - Dean, UOG School of Business and Public Administration
 - Vice President, UOG Administration and Finance
 - President or Executive Director, Guam Society of CPAs
 - President or Executive Director, Guam Chapter, Association of Government Accountants

» and Committee Liaison to the Foundation:

- Executive Director, Guam Board of Accountancy