

OFFICE OF PUBLIC ACCOUNTABILITY REPORT TO OUR CITIZENS FY 2020 · OCT 2019 - SEP 2020



WHO WE ARE

Public Law 21-122 established the Office of Public Accountability (OPA) in July 1992 as an instrumentality of the Government of Guam (GovGuam), independent of the executive, legislative, and judicial branches.

We seek to achieve independent and nonpartisan assessments that promote accountability and efficient, effective management throughout the Government of Guam.

We seek to serve the public interest by providing the Governor of Guam, the Guam Legislature, and the people of Guam with dependable and reliable information, unbiased analyses, and objective recommendations on how best to use government resources to support the well-being of our island and its constituents.

STAFF AS OF JULY 2021

Public Auditor
Benjamin J.F. Cruz

Administrative Services Officer
Marisol Andrade, CGFM

Auditors

Clariza Mae Roque, CGFM, CGAP, CICA
Jerrick J.J.G. Hernandez, MA, CGAP, CICA
Vincent Duenas
Maria Thyrza Bagana, CGFM, CFE
Frederick Jones, MBA
Christian Rivera

Johanna Pangelinan
Thomas Eladio Battung
Mariella Cruz
Ren Erbil Jalandoni
Selina Onedera-Salas
Kayleen Concepcion



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MISSION

To ensure public trust and good governance in the Government of Guam, we conduct audits and administer procurement appeals with objectivity, professionalism, and accountability.

VISION

The Government of Guam is a model for good governance with OPA leading by example as a model robust audit office.

CORE VALUES

Objectivity
Professionalism
Accountability



BY THE NUMBERS

9

We issued nine performance audits that identified \$2 million (M) in financial impact.

35

We made thirty-five recommendations to GovGuam entities to improve program efficiencies, revenue collection, and government expenses.

25

We issued, monitored, and oversaw twenty-five financial audits (government-wide and component units).

2

We assisted in the procurement process of two independent financial audit services Request for Proposals.

9

We received nine procurement appeals, but rendered three decisions in CY 2020. Six appeals were dismissed.



As an organization, we are blessed to have a group of professionals that continue to uphold the vision of auditing for good governance. The OPA continues

to be a watchdog over government spending and promote accountability and transparency in the Government of Guam.

- **Benjamin J.F. Cruz**
*Message from the Public Auditor
Annual Report 2020*



OPA TOTAL OUTPUT - THREE-YEAR TREND

TYPE	2018	2019	2020
Performance	8	9	9
Financial	23	23	25
Request for Proposal	3	18	2
Procurement Appeals	8	11	9
GRAND TOTAL	42	61	45

OPA IMPACT - THREE-YEAR TREND

TYPE	2018	2019	2020
Financial Impact	\$47.2M	\$51.5M	\$2M
Questioned Costs	\$334K	\$549K	\$1.1M
Procurement Value	\$8.7M	\$204M	\$202M
Recommendations	34	46	35

OPA PERFORMANCE AUDITS - CY 2020

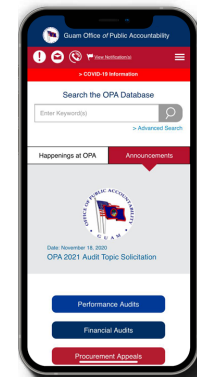
1. Government of Guam Use Tax on Air Cargo
2. 75th Liberation Day Carnival Games of Chance
3. Government of Guam Public Safety Overtime
4. Port Authority of Guam Unclassified Employees' Pay Raises and Bonuses
5. Guam Housing and Urban Renewal Authority Unclassified Employees' Pay Raises and Bonuses
6. Mayors' Council of Guam Non-Appropriated Funds Compliance with Reporting Requirements
7. 75th Guam Island Fair Liberation Day Carnival Procurement
8. Government of Guam Coronavirus Relief Fund Expenditures Part I
9. Government of Guam Procurement Training & Certification Follow-Up Audit

OPA LAUNCHES MOBILE APP

Accountability at your fingertips...

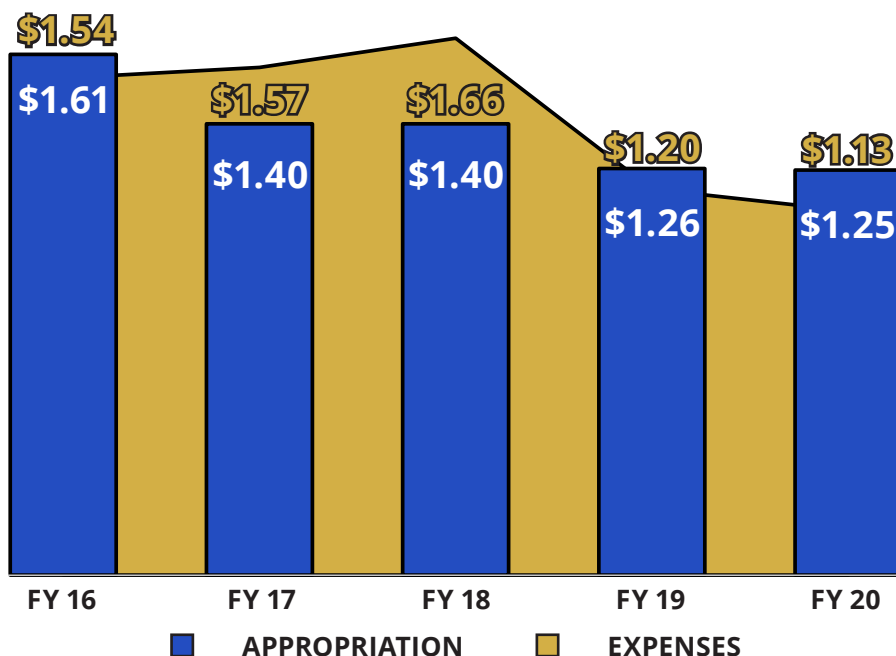
After a couple of years of trial and error, the OPA finally launched the OPA app. When OPA's website is updated, the app is automatically updated in real-time.

Visit our website to download the App or search Guam OPA in your app store.



FINANCIAL INFORMATION

BUDGET APPROPRIATION - 5-YEAR TREND



OPA GENERAL FUND - OPERATIONS

	2019	2020	↑ ↓
Government Appropriation	\$ 1,258,375	\$ 1,253,666	↓
Revenues:			
Interest and investment	\$ 3,118	\$ 3,380	↑
Expenses:			
Salaries	\$ 732,755	\$ 689,474	↓
Benefits	\$ 234,963	\$ 222,010	↓
Contractual Services	\$ 81,414	\$ 48,842	↓
Rent	\$ 122,259	\$ 122,259	-
Supplies	\$ 4,822	\$ 6,927	↑
Equipment	\$ 1,271	\$ 10,976	↑
Communications	\$ 3,300	\$ 3,790	↑
Miscellaneous	\$ 14,324	\$ 4,446	↓
Net income	\$ 1,191,990	\$ 1,105,344 ¹	↓
Change in Net Position	\$ 66,385	\$ 148,322	↑

¹Net income for FY 2020 includes revenues of \$19K in intergovernmental grants, as well as expenses of \$19K in grants and subsidies.

In fiscal year (FY) 2020, OPA has received about \$5K less in appropriations compared to FY 2019. GovGuam appropriation-based general fund revenue is our primary source of funding for our operations. Although we had less appropriations in 2020, we reduced our expenses by \$86K. All remaining funds are requested to be rolled over to purchase new equipment, replace aging workstations, and fund additional personnel costs in the next FY.

MAJOR EXPENSES

Majority of OPA's expenses come from our staff's salaries and benefits. \$911K (or 82%) of \$1.1M expenditures is more than half (72%) of our yearly appropriation. The second highest expense comes from the rent for our office, which totals \$122K. The third highest expense is from contractual services of \$49K. This is made up of payments to our hearing officer, website management, and leases for equipment.

TAP GRANT



In 2019, the United States Department of Interior Office of Insular Affairs awarded our office a Technical Assistance Program (TAP) grant for training and internship programs. As of FY 2020, we have \$76K in available funds.

This federal grant gives us the funding capability to allow our employees to continue training with the best in the industry.

OPA FINANCIALS

OPA is included in the Government-wide Annual financial audit. The complete information can be found at <https://opaguam.org/reports-audits/financial-audits>. You may also see other detailed financials at <https://opaguam.org/about-us/opa-financial-information>.

CHALLENGES AND OUTLOOK

OPA STRATEGIC PLAN 2019 - 2023

We envision GovGuam as the model for good governance with OPA leading by example as a model robust audit office. To achieve this, we began implementing the recommendations made by the International Organization of Supreme Audit Institutions (INTOSAI) Development Initiative's Performance Measurement Framework. To address the results of the INTOSAI report, we implemented our [Strategic Plan 2019 to 2023](#).

STAFF RETENTION

Over the last two years, at least ten employees have left the OPA. Many of them having received double digit increases in salary at their new positions. Several of them held supervisory & managerial level responsibilities in our office. In 2021, OPA has worked to fill the positions with new staff. As of July 2021, we have 6 new Accountability Auditor I's.

PEER REVIEW

OPA's next peer review will cover performance audits issued in calendar years 2017 to 2019. Due to the pandemic, our office has had to postpone our scheduled peer review in 2020. We requested for and received an extension with the US Government Accountability Office and scheduled our peer review for 2021. OPA's last peer review was in 2017 resulting in a 6th Full Compliance rating.

WE WANT TO HEAR FROM YOU! LET'S STAY CONNECTED!

Do you like this report? Is there any other information you would like to see included? Please let us know by contacting Accountability Auditor I Thomas Eladio Battung at tbattung@guamopa.com. See previous Citizen Centric Reports of the OPA at www.opaguam.org.

STRATEGIC GOALS



Protect OPA's Independence



Deliver Quality Audit Reports

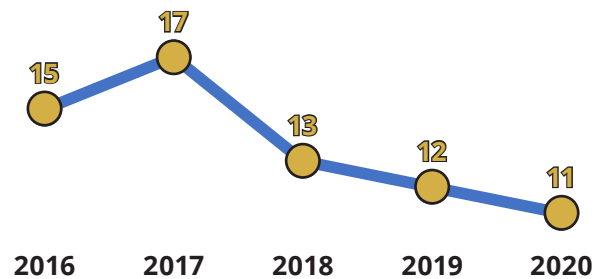


Timely Decisions on Procurement Appeals



Engage Effectively with Stakeholders

PERSONNEL COUNT 5 YEAR TREND



MOVE TOWARD ELECTRONIC

Due to the COVID-19 pandemic, our office has taken measures to transition into a more mobile office. We have provided our staff with the ability to telework by enabling remote access to OPA's server. We are also working to have our website allow GovGuam agencies to transmit and file documents to us. We are looking into more areas of improvement and continuing build our office's capabilities.

