



OFFICE OF PUBLIC ACCOUNTABILITY

Suite 401 DNA Building, 238 Archbishop Flores Street, Hagatna, Guam 96910
Tel (671) 475-0390 · Fax (671) 472-7951 · Hotline: 47AUDIT (472-8348)
www.opaguam.org

Guam Preservation Trust – FY 2022 Financial Highlights

November 7, 2022

The Office of Public Accountability (OPA) released the Guam Preservation Trust (GPT) financial statements, report on compliance and internal control, management letter, and the auditor’s communication with those charged with governance for fiscal year (FY) 2022. Independent auditors Ernst & Young, LLP (EY) rendered an unmodified (clean) opinion on GPT’s financial statements, for which no material weaknesses or significant deficiencies were identified. GPT closed the fiscal year with a net position of \$15.7 Million (M), a 30% increase from FY 2021. For FY 2022, OPA recognized¹ GPT for achieving a status similar to “low-risk” for five consecutive years.

Revenues Increased by \$3.7M

GPT’s total revenues increased by 509%, from \$728 thousand (K) in FY 2021 to \$4.4M in FY 2022. The revenues consisted of building permit fees, grants and other support, and interest earned on cash and investments balances.

For FY 2022, GPT collected \$805K from building permit fees, which was a 44% increase from FY 2021. Construction activity attributed solely to the increase in FY 2022 involved either large hotel developments or as small renovations on homes or existing small structures.



Under Guam Public Law 36-82, GPT received \$3.5M for the rehabilitation of the historic Francisco Q. Sanchez Elementary School in the village of Humåtak. This \$3.5M appropriation makes up 79% of GPT’s total revenues.

¹ OPA recognizes entities not subject to a Single Audit that achieved a similar “low-risk” status. OPA’s criteria for such recognition requires that for three consecutive periods, the entity issued its financial audit within six months of the fiscal year and received an unmodified “clean” opinion on its financial statements with no material weaknesses, significant deficiencies, or questioned costs.

Investment Activity

Although investments increased by 52% from \$1.5M in FY 2021 to \$2.2M in FY 2022, the interest income on investments of \$27K in FY 2022 had a less than 1% decrease from FY 2021. The slight decrease is attributed to the volatile market and drawdowns during the year.

Expenditures Increase by \$110K

In FY 2022, total expenditures amounted to \$857K, a 15% increase from FY 2021. This increase is attributed to the \$82K increase in personnel.

Management Letter

A separate management letter from EY identified three matters and recommended that GPT:

- 1) review its travel policy to ensure that all publicly funded off-island travel is reported on a quarterly basis to *I Liheslaturan Guahan* and submit all publicly funded travel reports, to include all required detail, for all travel that occurred in FY 2022;
- 2) comply with the per diem rates posted by the U.S. General Services Administration and also include specific provisions for hotel costs paid in excess; and
- 3) revisit and strengthen the policy to strictly implement the purpose of the corporate credit card for business use only.

For more details on GPT's operations, refer to the Management's Discussion and Analysis in the audit report at www.opaguam.org and www.guampreservationtrust.org.