

**Government of Guam
Payroll-Related Demand Runs
and Special Payments**

**Performance Audit
October 1, 2008 through September 30, 2011**

**OPA Report No. 12-05
December 2012**



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Table of Contents

	Page
Executive Summary	1
Introduction	3
Background	3
Demand Runs and Special Payments Analyses	3
Results of Audit	7
Demand Runs and Special Payment Processing Can Be Done More Efficiently	7
Payments Generally Authorized and Calculated Correctly	10
Filing System Could Be Improved.....	11
Multiple Pay Codes Susceptible to Errors	11
Other Matters	11
Conclusion and Recommendations.....	13
Management Response and OPA Reply	14
Appendices	
1: Classification of Monetary Amounts	15
2: Audit Objective, Scope, and Methodology	16
3: Prior Audit Coverage	17
4: Biweekly Payroll and Demand Runs/Special Payments Processed.....	18
5: Demand Runs and Special Payments by Pay Type per Fiscal Year	19
6: Agency Payments by Amount per Fiscal Year	20
7: Agency Payments by Frequency per Fiscal Year	24
8: Top 20 Employees by Amount per Fiscal Year.....	28
9: Top 20 Employees by Frequency per Fiscal Year	32
10: FY 2009 Calendar of Biweekly Payroll, Demand Runs, and Special Payments	36
11: FY 2010 Calendar of Biweekly Payroll, Demand Run, and Special Payments.....	38
12: FY 2011 Calendar of Biweekly Payroll, Demand Run, and Special Payments.....	40
13: Active and Expired Pay Codes.....	42
14: Management Response	44
15: Status of Audit Recommendations.....	46



EXECUTIVE SUMMARY
Government-Wide Payroll-Related Demand Runs and Special Payments
Performance Audit
OPA Report No. 12-05, December 2012

Our performance audit of the Department of Administration's (DOA) processing of payroll-related demand runs and special payments found that while the payments were generally authorized and correctly calculated, they were not efficiently processed. Of the 54 tested transactions from fiscal year (FY) 2009 to 2011, we found only two payments lacked proper authorizations and two payments were incorrectly calculated. On the other hand, we found several indicators that processing payroll-related demand runs and special payments could be more efficient.

We found that demand runs and special payments were processed any day of the week, and occurred on an average of 11 work days or 49% per month in FY 2011. Processing demand runs and special payments required DOA payroll staff to spend additional time processing these payments, rather than analyzing payroll transactions. In most cases, these payments could have been processed together with the employees' biweekly payroll, but were not.

In addition to the average of 3,640 regular biweekly payroll checks processed for line entities within the Government of Guam (GovGuam), DOA routinely processes other types of payroll transactions known as demand runs and special payments. Demand runs are retroactive payments (i.e., salary increments, overtime, night differential, hazardous pay, etc.) that are processed based on the availability of cash within the General Fund. Special payments are requested by employees and require the approval of the agency head and Director of DOA for prepayments of regular salary, annual leave, or sick leave.

We also concluded that the payroll filing system for demand runs and special payments can be improved and that the 98 separate pay codes within the payroll system are susceptible to payment errors.

Processing Can be Done More Efficiently

Demand runs and special payments should occur on an emergency basis, and not on a regular basis. Instead, we saw an increased use of the demand runs and special payments process, going from 7,946 payments (\$5.7M) in FY 2009, to 8,217 payments (\$6.2M) in FY 2010, to 9,741 payments (\$7.5M) in FY 2011. Given that demand runs and special payments represented 17% of the regular biweekly payroll payments processed, these payments created an unnecessary burden for DOA. Although the Chief Payroll Officer indicated that demand runs and special payments are processed on non-payday Fridays, there is no written policy indicating when they should be processed. On the contrary, demand runs were processed any day of the week, including payroll weeks. From an efficiency perspective, demand run and special payments should be limited to being processed once a week, preferably with the biweekly payroll or alternatively once a week on the non-payroll weeks.

According to the Chief Payroll Officer, employees receive paper checks for demand runs and special payments and are not given the option for direct deposit. These payments should be included in the employees' biweekly payroll to avoid the additional printing of paper checks. As noted in OPA Report No. 10-01, *Payroll Efficiency for Employee Pay and Voluntary Deductions*, direct deposits are less expensive and more efficient than issuing paper paychecks.

The top three agencies with the largest and most frequent issuance of demand runs and special payments were the Guam Police Department (GPD), Department of Corrections (DOC), and Customs and Quarantine Agency (CQA), 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.

To determine other practices in other GovGuam agencies, we contacted the Guam Waterworks Authority (GWA) and Guam Community College (GCC), and found that demand runs and special payments are not processed regularly due to the additional administrative burden placed on their payroll staff. Both GWA and GCC require the approval by the agency's head prior to processing the special payments. Otherwise, the payments would be processed with the employees' biweekly payroll through direct deposits.

Payments Generally Authorized and Correctly Calculated

Of the 54 transactions reviewed, totaling \$387,539, we found only four payments totaling \$30,475 that were either lacking payment authorization or were erroneously calculated. Specifically, two payments totaling \$3,721 lacked proper authorization and two payments were incorrectly calculated for a questioned cost of \$161. Of the two payments lacking proper authorization, one payment for \$1,615 lacked supporting timesheets and the other payment for \$2,105 lacked the Director of Administration's authorizing signature on the special pay request form.

Filing System Can Be Improved

We found that records for demand runs and special payments at DOA Payroll were not always maintained in the same folder, which required some time for supporting documents to be retrieved. As an example, personnel action forms would cite a specific document that was not included in the folder as evidence for payment. Upon our request, these documents were retrieved from DOA's Human Resources Division or the Office of the Attorney General. At a minimum, all supporting documents related to the authorized payments should be kept in the same folder within the Payroll Section.

Multiple Pay Codes Susceptible to Errors

We identified 98 different pay codes in GovGuam's financial management system (AS400). The Chief Payroll Officer explained that the Guam Legislature created varying pay codes specific to certain types of GovGuam employees, i.e. nurses, law enforcement, etc. With a multitude of pay codes, there is a greater potential that the wrong pay code may be used. There is a risk that employees may receive payments they are not entitled to.

Recommendations

We made three recommendations to the Director of Administration: (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.



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Public Auditor



Introduction

This report presents the results of our performance audit of payroll related demand runs and special payments. Our audit objective was to determine whether payroll demand runs and special payments during fiscal years (FY) 2009 through 2011 were efficiently processed, properly authorized, and correctly calculated.

The audit was initiated after concerns were raised in OPA Report No. 10-08, *Guam Fire Department Payroll & Special Payments Analysis* on the proper processing of special payments, where we found that the Department of Administration's (DOA) Payroll Section did not verify whether special payments were properly approved or authorized for an agency head receiving overtime.

The audit objectives, scope, methodology, and prior audit coverage are detailed in Appendices 2 and 3.

Background

As of September 30, 2011, DOA processed regular biweekly payroll checks for an average of 3,640 employees at 37 line agencies and instrumentalities of the Government of Guam. In addition to the regular payroll checks processed for these entities on a biweekly basis DOA routinely processes other types of payroll transactions, through the issuance of separate checks, known as demand runs and special payments. Demand runs are retroactive payments (i.e., salary increments, overtime, night differential, hazardous pay, etc.) that are processed based on the availability of cash within the General Fund. Special payments are requested by employees and require the approval of the agency head and Director of DOA for prepayments of regular salary, annual leave, or sick leave.

The Payroll Section, a subset within DOA's Financial Management Division, issues and processes Government of Guam (GovGuam) line agency and certain instrumentalities' employee payroll checks. This Section employs a Chief Payroll Officer, a Payroll Supervisor, and seven Payroll Technicians.

Demand Runs and Special Payments Analyses

We performed several analyses on the demand runs and special payments data from DOA and found that:

- Most demand runs and special payments were for regular, overtime, and other pay.
- Guam Police Department (GPD), Department of Corrections (DOC), Customs and Quarantine (CQA), Bureau of Statistics and Plans (BSP), and Department of Public

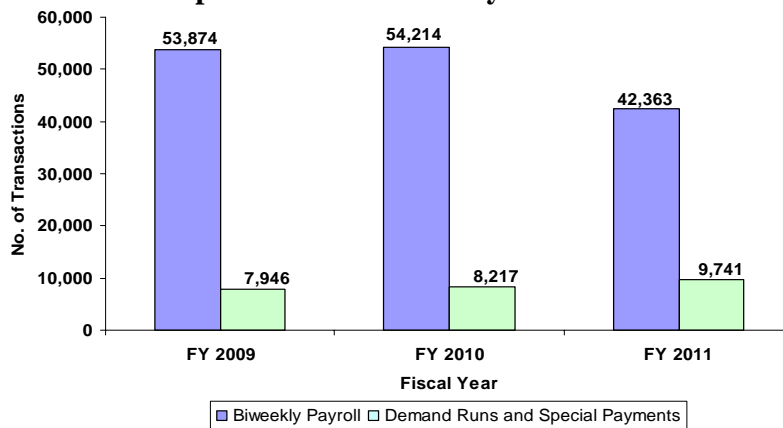
Health and Social Services (DPHSS) were the top five agencies that issued the largest demand runs and special payments and did so more frequently than other agencies.

- CQA and GPD employees were the most frequent receivers of demand runs and special payments for the three years.

Steady Increase in Payments Processed

Between October 1, 2008 and September 30, 2011, DOA processed 25,904 payroll-related demand runs and special payments totaling \$19.4 million (M) to 5,162 employees. We saw a 23% increase in the use of demand runs and special payments during this time, increasing from 7,946 payments (\$5.7M) in FY 2009, to 8,217 payments (\$6.2M) in FY 2010, to 9,741 payments (\$7.5M) in FY 2011. See Figure 1 for an illustration of the demand runs and special payments compared to regular biweekly payroll processed by fiscal year.

Figure 1: Comparison of Regular Biweekly Payroll and Demand Runs and Special Transactions by Fiscal Year



17% of Biweekly Payroll Transactions

DOA processed 53,874 regular biweekly payroll checks in 2009, 54,214 in 2010, and 42,363 in 2011, or a total of 150,451 transactions (\$436.9M) between FY 2009 and 2011. DOA additionally processed 25,904 demand runs and special payments during the three-year period, which is equivalent to 17% of the biweekly payroll payments processed in the same period. See Table 1 for a summary of the biweekly payroll and the demand runs and special payments processed by fiscal year and in the aggregate. Refer to Appendix 4 for breakdown by fiscal year.

Table 1: Summary of Biweekly Payroll and Demand Runs/Special Payments Processed

	FY 2009		FY 2010		FY 2011		Grand Total			
	#	\$	#	\$	#	\$	#	%	\$	%
Reg. Payroll Payments	53,874	\$131,863,147	54,214	\$151,506,561	42,363	\$153,585,534	150,451	-	\$436,955,241	-
Demand Run (DR) and Special Payments (SP) Processed:										
Payroll Week	3,597	2,149,989	3,070	2,033,059	2,598	2,078,358	9,265	6%	6,261,406	1%
Non-Payroll Week	4,349	3,540,107	5,147	4,163,643	7,143	5,414,281	16,639	11%	13,118,031	3%

	FY 2009		FY 2010		FY 2011		Grand Total			
	#	\$	#	\$	#	\$	#	%	\$	%
Subtotal, DR and SP	7,946	\$5,690,096	8,217	6,196,702 ¹	9,741	7,492,639	25,904	17%	19,379,437	4%
Grand Total	61,820	\$137,553,243	62,431	\$157,703,263	52,104	\$161,078,173	176,355	-	\$456,334,678	-

Payments by Pay Type

Of the \$19.4M in payments processed, the majority of the payments were for regular pay totaling \$7.2M, making up 37% of the payments processed. Overtime and other pay were next in quantity, with payments totaling \$6.2M and \$3.6M, respectively. See Table 2 for the summary of the pay types paid by fiscal year and in the aggregate. Refer to Appendix 5 for a further breakdown by pay types and fiscal year.

Table 2: Summary of Demand Run and Special Payments (FY 2009 to FY 2011)

Type of Pay	FY 2009		FY 2010		FY 2011		Total Amount	# of Trans.
Regular Pay ³	\$1,364,810	2,911	\$2,859,438	5,592	\$2,951,331	6,236	\$7,175,579	14,739
Overtime	\$2,143,926	5,518	\$1,764,892	4,401	\$2,301,826	5,161	\$6,210,644	15,080
Other Pay	\$1,195,560	1,027	\$997,951	1,099	\$1,360,646	1,452	\$3,554,157	3,578
Lump Sum Annual Leave	\$462,742	135	\$138,149	204	\$63,331	14	\$842,891	3,848
Annual Leave	\$154,533	219	\$128,506	27	\$218,592	375	\$507,232	404
Sick Leave	\$118,796	110	\$116,537	1,754	\$224,193	158	\$453,925	2,239
Hazardous Pay	\$173,520	3,702	\$108,067	138	\$242,001	3,509	\$392,801	7,329
Night Differential	\$69,969	2,664	\$62,739	2,188	\$111,214	3,489	\$196,039	4,866
Premium	\$7,241	62	\$20,424	547	\$19,506	140	\$47,171	749
Grand Total	\$5,690,096*	7,946*	\$6,196,702	8,217*	\$7,492,639	9,741*	\$19,379,437*	25,904*

*The number of transactions was adjusted to avoid double-counting as certain payments accounted for multiple pay codes.

Top Five Agencies

Overall, the top five agencies that issued the largest demand run payments were GPD, DOC, CQA, BSP, and DPHSS, accounting for 17,740 payments totaling \$10.9M. These five agencies were also the most frequent issuers of demand run and special payments. See Table 3 for the top five agencies per fiscal year and Appendices 6 and 7 for the agency listings by total amount and frequency by fiscal year.

Table 3: Overall Top 5 Agencies (FY 2009 to FY 2011)

	Agency	FY 2009		FY 2010		FY 2011		Total Payments	# of Trans.
		\$	#	\$	#	\$	#		
1	GPD	1,363,955	2,937	796,676	1,459	1,327,343	2,701	3,487,974	7,097
2	DOC	855,720	1,392	934,814	1,543	1,333,663	1,824	3,124,196	4,759

¹ \$1.1M of this amount was directly attributed Bureau of Statistics and Plans coordination of the 2010 Census.

³ Note: Regular Pay is classified as retro pay inclusive of back-pay in lieu of salary increments, overtime, etc.

	Agency	FY 2009		FY 2010		FY 2011		Total Payments	# of Trans.
		\$	#	\$	#	\$	#		
3	CQA	598,477	1,040	674,934	424	746,415	1,142	2,019,826	2,606
4	BSP ⁴	4,973	341	1,070,281	724	56,010	617	1,131,263	1,682
5	DPHSS	199,767	8	416,065	1,532	487,322	56	1,103,154	1,596
Top 5 Subtotal		3,022,892	5,718	3,892,769	5,682	3,950,752	6,340	10,866,413	17,740
Remaining 34 Agencies		2,667,205	2,228	2,303,933	2,535	3,541,887	3,401	8,513,024	8,164
Grand Total		5,690,096	7,946	6,196,702	8,217	7,492,639	9,741	19,379,437	25,904

Highest Recipients of Demand Run and Special Payments

Of the total \$19.4M paid to 5,162 employees, we found that the top 20 employees received 858 payments totaling \$1.2M. Of the top 20 employees, ten CQA employees collectively received 717 payments totaling \$579 thousand (K). See Appendix 8 for details of the top 20 employees by amount by fiscal year.

Most Frequent Recipients of Demand Runs and Special Payments

Forty-six CQA employees and seven GPD employees each received 50 or more demand runs and special payments between 2009 through 2011. The top 20 most frequent recipients of demand runs and special payments for the entire GovGuam were CQA employees, receiving 1,426 payments totaling \$834K. Of these 20 CQA employees, the most frequent recipient was a Customs Officer Supervisor, who received 76 payments totaling \$63K in the three year period or 25 to 26 checks per year. On average, DOA processed 20 or more paychecks per year for these CQA employees for the three-year period. This equates to CQA employees receiving pay checks every other week on top of receiving their regular biweekly payroll.

See Appendix 9 for details of the top 20 employees who received demand run payments ranging from 21 to 26 checks in one year.

⁴ We noted that BSP was part of the top five entities primarily due to the 2010 Census limited-term employees that were paid as part of the demand run process instead of the biweekly payroll.

Results of Audit

We found that while demand runs and special payments were generally authorized and correctly calculated, they were not efficiently processed. Of the 54 tested transactions from fiscal year (FY) 2009 to 2011, we found two payments lacked proper authorizations and two payments were incorrectly calculated. Processing demand runs and special payments required DOA payroll staff to spend additional time processing these payments, rather than analyzing payroll transactions. In most cases, these payments could have been processed together with the employees' biweekly payroll, but were not. We also found that the payroll filing system for demand runs and special payments can be improved and that there are 98 separate pay codes within the payroll system that were susceptible to entry errors.

Demand Runs and Special Payment Processing Can Be Done More Efficiently

Demand runs and special payments should occur on an emergency basis and not on a regular basis. We found that there is no written policy indicating when demand runs should be processed, which resulted in these payments being processed any day of the week, including payroll weeks. We also found that these payments were processed through the issuance of paper checks. In contrast, Guam Waterworks Authority (GWA) and Guam Community College (GCC) told us that it is not standard practice to process special payments outside of the normal payroll period because of the administrative burden on their payroll employees.

Payments Processed Any Day of the Week

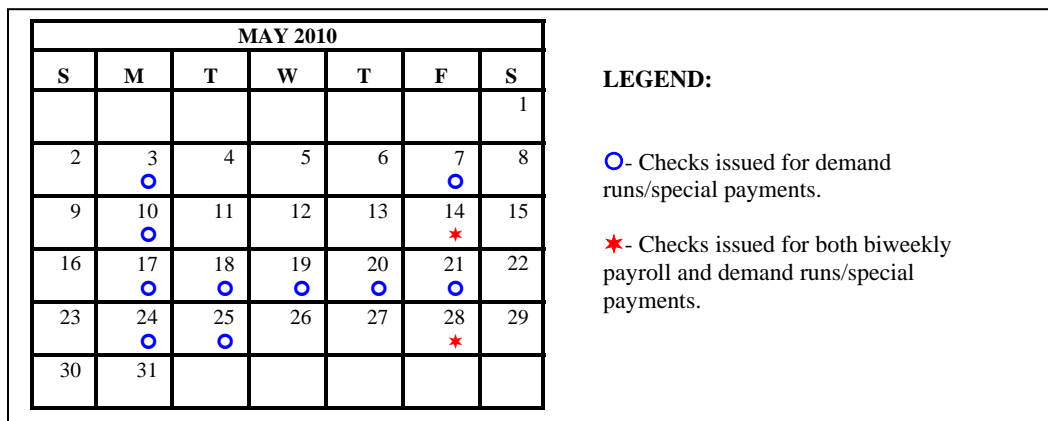
Although the Chief Payroll Officer indicated that demand runs are processed on non-payday Fridays, there is no written policy indicating when they should be processed. Instead, we found that demand runs were processed any day of the week, including paydays. We also found that demand runs and special payments were issued almost every week, and in many instances, they were issued on multiple days within the week.

For example:

- In the month of March 2009, 12 out of 22 work days or 55% were used to process demand runs or special payments.
- In the month of May 2010, 12 out of 20 work days or 60% were used to process demand runs or special payments.
- In the month of April 2011, 13 out of 21 work days or 62% were use to process demand runs or special payments.

See Figure 2 for an illustration of May 2010 and Appendices 10 to 12 for monthly details by fiscal year.

Figure 2: Biweekly and Demand Runs/Special Payments Issued in May 2010



According to the Chief Payroll Officer, DOA Payroll processed demand runs and special payments separate from the biweekly payroll process because:

- Documents (i.e., timesheets and leave forms) were not submitted in a timely manner, but the employees were in need of their disposable income;
- Salary increments or overtime payments need to be paid as they come in or when cash is available; and
- It reduces strain on financial auditors who reconcile payroll transactions preventing a delay in the financial audit process at year-end.

Despite these claims, we are aware of instances in which DOA processed a salary increment together with an employee’s biweekly payroll and therefore, we do not believe it is an insurmountable task. Additionally, the Audit Director of the GovGuam financial audit indicated that the combined processing of overtime and other related employee payments does not put a strain in the financial audit process as long as the transactions are authorized and adequately supported. The following examples illustrate demand runs or special payments that could have been processed together with the employees’ biweekly payroll.

- A CQA Supervisor, the most frequent and highest recipient of demand run payments, received 73 payments totaling \$88,857 over the three years. This is an average of 24 payments per year at \$1,234 each, which is equivalent to receiving weekly payments when combined with the employee’s biweekly payroll. CQA employees who inspect cargo and shipment beyond their scheduled shifts are paid a premium referred to as “off-duty carrier services”, derived from the inspection fees charged to private companies. Although the off-duty carrier services payments are derived from a funding source separate from the GovGuam General Fund, we found that DOA regularly processed these payments on non-payroll weeks. Rather than processing payments to these employees on a weekly basis, the Payroll personnel could process these payments together with the employees’ biweekly payroll runs to reduce the process redundancy thereby improving efficiency.
- A GPD Police Officer III, another frequent recipient, received 36 payments over the three years totaling \$61,454, which is an average of 12 payments per year at \$1,707. While it was typical for law enforcement employees to receive separate payments for outstanding

overtime, DOA should consider consolidating payments together with the employees' biweekly payroll.

Due to the inefficiency and unnecessary processing of demand runs and special payments that can occur any day of the week, we recommend the Director of DOA establish a written policy that sets a standard threshold for processing, thus allowing the payroll staff the flexibility to conduct proper review of authorization, documentation, and other analyses related to payroll.

Paper Checks Issued for Demand Runs and Special Payments

We found that demand runs and special payments are printed on separate checks and not directly deposited into the recipient's bank account. As noted in OPA Report No. 10-01, *Payroll Efficiency for Employee Pay and Voluntary Deductions*, Payroll could improve the effectiveness and efficiency of payroll processing through electronic means. By converting paper transactions to electronic transactions, GovGuam and its employees can save time and money. In addition, electronic processing and account access provides an efficient way to strengthen and improve government payroll services through enhancing employee productivity and allowing employees additional time to do other tasks. It also reduces the risk of lost or stolen checks, fraud, and identity theft; and has a positive environmental impact with less paper being used and fewer vehicular trips being made to the bank.

Due to the inefficiency of printing manual checks, we reiterate our recommendation in OPA Report No. 10-01, to move toward eliminating the manual printing of checks and implementing direct deposits for all payroll related payments.

Autonomous Agencies Processing of Special Payments

Unlike DOA, the practice of issuing demand runs and special payments does not occur on a regular basis at two autonomous agencies. According to GWA's Acting Controller and a GCC Accountant, it is not standard practice to process special payments outside of the normal payroll period because of the administrative burden on their payroll employees. Thus, a cut off date is established for all GWA and GCC divisions to submit payroll documentation for processing. However, should the need for special payments arise, both GWA and GCC require that the GWA General Manager or GCC President authorize such payments.

According to the GCC Accountant, situations and reasons deemed permissible to warrant special payments include: underpayments, correction of hours or direct deposit information, and lump sum leave payments upon employment separation. Between FY 2009 and FY 2011, GCC processed 238 special payments, totaling \$265K. This is an average of three checks processed on a bi-weekly basis for the three year period.

According to the GWA Acting Controller, GWA processed 59 payments totaling \$39K in special payments due to the Hay Study pay increases in FY 2010. No other special payments have been processed in the last three years as other payroll related payments are processed together with the employees' biweekly payroll.

Payments Generally Authorized and Calculated Correctly

Of the 54 payments totaling \$387,539 selected for testing, 52 transactions or 96% had proper payment authorizations, such as agency head or supervisor signatures on timesheets, signed personnel action forms, etc. Only two payments totaling \$3,721 lacked adequate documentation to authorize payments. Specifically:

- A Department of Mental Health and Substance Abuse (DMHSA) physician was paid \$1,615 for a salary adjustment that increased the salary from \$28.85 per hour to \$62.50 per hour, which is more than double his hourly rate. The Chief Payroll Officer explained that the salary negotiations are made between the agency and employee, and DOA Payroll Section personnel process the payments based on approved personnel action documents. According to DOA's procedures for special payments, approved request forms must accompany a certified timesheet and approved leave forms, if applicable, for the duration of the pay period being requested. Although this transaction contained a special payment request form approved by the DMHSA Acting Director, we were unable to locate any timesheets for this employee.
- A Department of Labor (DOL) clerk was paid \$2,106 for pre-paid annual leave without proper authorization. Although all required forms were attached and approved by the Director of DOL, the special payment request form did not have the Director of Administration's signature indicating approval as required by DOA's standard operating procedures. The form was given to the DOA Director's office as evidenced by the stamped copy, but there was no signature authorizing the payment.

Of the 54 payments tested, 52 transactions were correctly calculated in accordance with the pay codes used. Only two transactions, or 4%, were erroneously calculated and resulted in questioned costs totaling \$161. Specifically:

- A GPD Police Officer III received \$7,867 for night differential, overtime, and hazardous pay. Further review of the actual timesheets and AS400 system indicated that the individual should have been paid \$7,719. Thus, the employee received an overpayment of \$149.
- A DOC Guard received \$19,036 for retroactive back pay and hazardous pay after being reinstated in the agency, but further review of the actual timesheets and AS400 system indicated that the individual should have been paid \$19,023. Therefore, this employee was overpaid \$13.

Upon presenting these findings to DOA, the Chief Payroll Officer concurred with the errors made on these transactions and ensured OPA that adjustments will be made on the employees' following payroll and will submit documentation reflecting that the adjustment has transpired. However, as of the issuance of this report we have yet to receive any response or documentation proving that such adjustments have been made to the employee's account.

These payment authorization and calculation exceptions occurred because payroll technicians have the autonomy to process payroll payments and there was no evidence that the DOA Chief Payroll Officer or his designee periodically monitored or provided an independent review of the payroll system. As a result, we recommend DOA establish audit thresholds for the Chief Payroll Officer to review all transactions that exceed \$5K. Any payments less than \$5K should be subjected to a random check as we know overages collected by most recipients would remain unreported.

Filing System Could Be Improved

During our testing, we concluded that the Payroll Section's filing system was decentralized, requiring some time for supporting documents to be obtained in multiple locations. The Chief Payroll Officer informed us that supporting documentation for demand runs and special payments is not always maintained within the same folder of specific transactions, and that some of the documents have to be retrieved from the DOA Human Resources (HR) Division upon the OPA auditors' request. For example, a DOC Guard was paid \$30,476 for hazardous, overtime, and night differential payments; but certain referenced documents were not on file and had to be requested from DOA HR and the Attorney General's Office.

We questioned how DOA Payroll processed certain payments if documents were not maintained in a centralized location. We recommend DOA develop a centralized filing system to ensure all supporting documents are maintained within the Payroll Section. For documentation purposes, having a centralized filing system provides uniformity and ensures that all related documents are kept together to support payments being processed.

Multiple Pay Codes Susceptible to Errors

There is a risk that employees may receive payments and deductions they were not entitled to as a result of having so many pay codes available to choose from and the potential for wrong pay codes to be used. Although DOA Payroll Section uses 98 differing pay codes in its AS400, 82 pay codes are currently active, while 16 pay codes are inactive due to its termination date. DOA explained that the Guam Legislature created varying pay codes for certain GovGuam employees, i.e. nurses, law enforcement, etc. See Appendix 13 for the listing of pay codes. We recommend that the Director of DOA create a task force to review these 98 pay codes, with the idea towards simplification and consolidation.

Other Matters

We also came across other matters in the conduct of our audit as follows.

Retroactive Payments

Of the 54 payments tested, we found 36 payments totaling \$158,871 where the pay type was retroactive pay. Further review of the files indicated that the payments were for regular pay, overtime, carrier regular, carrier overtime, compensatory time, night differential, etc. When a demand run or special payment is processed, DOA manually verifies retroactive pay and subsequently inputs the pay codes and hours worked into the AS400 system. However, DOA inputs all retroactive payments in a separate screen within the AS400, therefore these payments are rolled into a "retro pay" category and not into the respective pay codes. DOA does not have

the capability to generate reports detailing the composition of these payments, leaving them dependent on their vendor to generate such reports. DOA was able to work with the vendor to provide a revised report detailing the composition of what was paid as “retro pay” prior to report issuance.

Executive Employee Received Overtime Pay

A classified employee who is in an executive position was paid \$21,773 for salary increment, overtime, and night differential payments. From August 12, 2009 to October 10, 2009, this classified employee claimed to have worked 496 hours of overtime, which ranged from four to ten hours of overtime hours everyday, including Saturdays and Sundays. We questioned how this classified employee was allowed to receive overtime, when the DOA personnel rules specify that only classes of position not in the executive, administrative, and professional categories as determined by the Civil Service Commission and the Fair Labor Standards Act are qualified to earn and receive overtime. According to the Chief Payroll Officer, the Governor issued an Executive Order temporarily lifting this employee’s exemption from overtime compensation in order to assist another department.

Conclusion and Recommendations

We conducted this audit to determine whether similar incidents occurred based on the findings of OPA Report No. 10-08, *Guam Fire Department Payroll & Special Payments Analysis*. Based on our review of 54 transactions in this audit, we did not find any evidence of collusion related to demand runs and special payments.

While demand runs and special payments were generally authorized and correctly calculated, they are inefficiently processed and create an unnecessary burden on DOA Payroll personnel. The frequency and dollar amounts of demand runs and special payments increased over the past three fiscal years, going from 7,946 payments (\$5.7M) in FY 2009, to 8,217 payments (\$6.2M) in FY 2010, to 9,741 payments (\$7.5M) in FY 2011. We also found that payments were processed any day of the week, including GovGuam paydays, because DOA did not have a written policy on when such payments were to be processed. Thus, these payments should be included in the employees' biweekly payroll to avoid the additional processing. In addition, we found that demand runs and special payments are separately issued on manual checks creating additional tasks for Payroll Technicians. Lastly, we found 98 codes to be an excessive amount, which raises the risk for entering in a wrong pay code.

We identified \$3,882 in monetary impact directly related to unauthorized payments and erroneous payment calculations. These occurred because payroll technicians have the autonomy to process payroll payments and neither the DOA Chief Payroll Officer nor his designee periodically monitored or independently reviewed the payroll process in order to ensure that demand runs and special payments were only processed on rare occasions, proper payment authorizations were obtained, and correct payment calculations were reached.

We recommend that the Director of Administration direct the Chief Payroll Officer to:

1. Develop and implement a written policy that limits the number of demand runs processed to once a week on non-payroll weeks or together with the biweekly payroll run; thus improving efficiency and allowing payroll staff the flexibility to conduct proper review of authorization, documentation, and other analyses related to payroll;
2. Establish audit thresholds to review all transactions that exceed \$5K. Any payments less than \$5K should be subjected to a random check;
3. Eliminate the manual printing of checks and implement direct deposits of demand runs and special payments;
4. Create a task force to simplify, consolidate, and review the necessity of the 98 pay codes in the AS400; and
5. Develop a centralized filing system to ensure that all supporting documents pertaining to demand runs and special payments are maintained within the Payroll Section.

Management Response and OPA Reply

We provided a draft report to the Director of Administration in November 2012 for an official response. We met with the department in November 2012 and the director provided a management response in November 2012, indicating general concurrence with the audit recommendations. See Appendix 14 for DOA's management response.

The legislation creating the Office of Public Accountability requires agencies to prepare a corrective action plan to implement audit recommendations, to document the progress of implementing the recommendations, and to endeavor to complete implementation of the recommendations no later than the beginning of the next fiscal year. We will be contacting the DOA to provide the target date and title of the official(s) responsible for implementing the recommendations.

We appreciate the cooperation and assistance given to us by management and staff of the Department of Administration, Guam Community College, and the Guam Waterworks Authority.

OFFICE OF PUBLIC ACCOUNTABILITY



Doris Flores Brooks, CPA, CGFM
Public Auditor

Appendix 1:
Classification of Monetary Amounts

Results of Audit	Questioned Costs
Demand Runs and Special Payment Processing Can Be Done More Efficiently	\$ -
Payments Generally Authorized and Calculated Correctly	\$ 3,882
<i>Lack of Payment Authorization</i>	
Missing Timesheets.....\$1,615	
Missing Signature (Special Payment Request Form).....\$2,106	
Total Payment Authorization.....\$3,721	
<i>Incorrect Calculation</i>	
Police Officer III (Overpayment).....\$148	
Department of Corrections Guard (Overpayment).....\$ 13	
Total Incorrect Calculation.....\$161	
Filing System Could Be Improved	\$ -
Multiple Pay Codes Susceptible to Errors	\$ -
Other Matters	\$ -
Total	\$ 3,882

Appendix 2:
Audit Objective, Scope, and Methodology

Our objective was to determine whether payroll-related demand run and special payments during fiscal year (FY) 2009 to 2011 were properly authorized, correctly calculated, and efficiently processed. The scope of this engagement was between October 1, 2008 and September 30, 2011.

We reviewed the adequacy of internal controls and practices for ensuring that the DOA Payroll Section, in processing demand runs and special payments, is compliant with policies; that managers properly exercised their responsibilities; and that employees were properly and accurately compensated for approved demand runs and special payments in accordance with applicable laws.

Our methodology included:

- Obtaining a sufficient understanding of payroll-related special pay and demand run through interviews with the Chief Payroll Officer and other key officials as deemed necessary;
- Assessing internal controls over the processing of payroll-related demand run and special payments;
- Obtaining demand run and special payment data processed from October 1, 2008 to September 30, 2011;
- Analyzing the data for the type of payments processed (i.e., retro pay, regular pay, etc.)
- Testing 54 payment transactions totaling \$387,539, where we reviewed timekeeping records, timesheets, leave forms, and pertinent documents for completeness and appropriate payment authorization. We also recalculated the payment amounts based on specified pay rates and pay codes to determine the accuracy of payments made.

We conducted this audit in accordance with the standards for performance audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States of America. These standards require that we plan and perform the assessment 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.

Appendix 3: Prior Audit Coverage

Office of Public Accountability

In December 2010, the Office of Public Accountability issued OPA Report No. 10-08, *Guam Fire Department Payroll & Special Payments Analysis*, where the auditors determined that the former Fire Chief was inappropriately paid \$53,909 between January 2003 and December 2005. The audit also identified that DOA payroll technicians received, processed, and approved timesheets and special payment requests without secondary or management review. These deficiencies concluded that the lack of independent checks on payroll processing is indicative of a weak internal control structure.

In October 2011, OPA issued Report No. 11-08, *Government of Guam Annual Leave Lump Sum Payments*, where auditors identified that DOA HR allowed many employees to salvage their excess leave hours by “resigning artificially.” By means of resigning artificially, the auditors determined that 51 employees drew 65 lump sum payments totaling \$302,280 under questionable circumstances.

Government of Guam Payroll Efficiency for Employee Pay and Voluntary Deductions

In OPA Report No. 10-01, *Payroll Efficiency for Employee Pay and Voluntary Deductions*, we noted that Payroll could improve the effectiveness and efficiency of payroll processing through the use of electronic payment processing methods. By converting paper transactions to electronic transactions, the government of Guam and employees can save time and money. In addition, electronic processing and account access provides an efficient and effective way to strengthen and improve government payroll services through enhancing employee productivity and allowing employees additional time to do other tasks. It also reduces the risk of lost or stolen checks, fraud, and identity theft; and has a positive environmental impact with less paper being used and fewer vehicular trips being made to the bank.

Biweekly Payroll and Demand Runs/Special Payments Processed

	# of Transactions	%	\$ Amount	%
FY 2009 to FY 2011				
Regular Payroll Payments Processed	150,451		\$ 436,955,241	
During Regular Payday	6,227	4%	\$ 4,165,782	1%
During Non-Regular Payday	19,677	13%	\$ 15,213,655	3%
Subtotal, DR and SP	25,904	17%	\$ 19,379,437	4%
Total Regular Payroll, DR, and SP Processed	176,355		\$ 456,334,678	
FY 2009				
Regular Payroll Payments Processed	53,874		\$ 131,863,147	
During Regular Payday	3,704	7%	\$ 2,206,177	2%
During Non-Regular Payday	4,242	8%	\$ 3,483,919	3%
Subtotal, DR and SP	7,946	15%	\$ 5,690,096	4%
Total Regular Payroll, DR, and SP Processed	61,820		\$ 137,553,243	
FY 2010				
Regular Payroll Payments Processed	54,214		\$ 151,506,561	
During Regular Payday	1,067	2%	\$ 940,009	1%
During Non-Regular Payday	7,150	13%	\$ 5,256,693	3%
Subtotal, DR and SP	8,217	15%	\$ 6,196,702	4%
Total Regular Payroll, DR, and SP Processed	62,431		\$ 157,703,263	
FY 2011				
Regular Payroll Payments Processed	42,363		\$ 153,585,534	
During Regular Payday	1,456	3%	\$ 1,019,596	1%
During Non-Regular Payday	8,285	20%	\$ 6,473,043	4%
Subtotal, DR and SP	9,741	23%	\$ 7,492,639	5%
Total Regular Payroll, DR, and SP Processed	52,104		\$ 161,078,173	

Demand Runs and Special Payments by Pay Type per Fiscal Year

FY 2009 to FY 2011 Summary

Type of Pay	# of Trans.	Amount
Regular Pay	14,739	\$7,175,579
Overtime	15,080	\$6,210,644
Other Pay	3,578	\$3,554,157
Lump Sum Annual Leave	3,848	\$842,891
Hazardous Pay	7,329	\$392,801
Annual Leave	404	\$507,232
Sick Leave	2,239	\$453,925
Night Differential	4,866	\$196,039
Premium	749	\$47,171
Grand Total	25,904⁵	\$19,379,437

FY 2009 Summary

Type of Pay	# of Trans.	Amount
Overtime	5,518	\$2,143,926
Regular Pay	2,911	\$1,364,810
Other Pay	1,027	\$1,195,560
Lump Sum Annual Leave	135	\$462,742
Hazardous Pay	3,702	\$173,520
Annual Leave	219	\$154,533
Sick Leave	110	\$118,796
Night Differential	2,664	\$69,969
Premium	62	\$7,241
FY 2009 Total	16,348	\$5,691,097

FY 2010 Summary

Type of Pay	# of Trans.	Amount
Regular Pay	5,592	\$2,859,438
Overtime	4,401	\$1,764,892
Other Pay	1,099	\$997,951
Annual Leave	204	\$138,149
Lump Sum Annual Leave	27	\$128,506
Hazardous Pay	1,754	\$116,537
Sick Leave	138	\$108,067
Night Differential	2,188	\$62,739
Premium	547	\$20,424
FY 2010 Total	15,950	\$6,196,702

FY 2011 Summary

Type of Pay	# of Trans.	Amount
Regular Pay	6,236	\$2,951,331
Overtime	5,161	\$2,301,826
Other Pay	1,452	\$1,360,646
Hazardous Pay	3,509	\$242,001
Sick Leave	158	\$224,193
Annual Leave	375	\$218,592
Night Differential	3,489	\$111,214
Lump Sum Annual Leave	14	\$63,331
Premium	140	\$19,506
FY 2011 Total	20,534	\$7,492,640

⁵ The number of transactions was adjusted to avoid double-counting as certain payments accounted for multiple pay codes.

Agency Payments by Amount per Fiscal Year

FY 2009 to FY 2011

	Agency	# of Checks	Amount
1	GUAM POLICE DEPARTMENT (GPD)	7,097	\$ 3,487,974
2	DEPARTMENT OF CORRECTIONS (DOC)	2,606	\$ 3,124,196
3	CUSTOMS AND QUARANTINE AGENCY (CQA)	4,759	\$ 2,019,826
4	BUREAU OF STATISTICS AND PLANS (BSP) ⁶	1,596	\$ 1,131,263
5	DEPARTMENT OF PUBLIC HEALTH & SOCIAL SERVICES (DPHSS)	1,682	\$ 1,103,154
	Top 5 Subtotal	17,740	\$ 10,866,413
6	DEPARTMENT OF ADMINISTRATION (DOA)	1,110	\$ 1,013,002
7	OFFICE OF THE GOVERNOR (GOV)	436	\$ 971,181
8	DEPARTMENT OF PUBLIC WORKS (DPW)	931	\$ 853,881
9	GUAM FIRE DEPARTMENT (GFD)	901	\$ 795,629
10	MAYOR'S COUNCIL OF GUAM (MCOG)	360	\$ 766,699
11	DEPART. OF MENTAL HEALTH & SUBSTANCE ABUSE (DMHSA)	542	\$ 759,526
12	DEPARTMENT OF REVENUE & TAXATION (DRT)	807	\$ 686,101
13	DEPARTMENT OF LAW (LAW)	223	\$ 291,864
14	DEPARTMENT OF AGRICULTURE (DOAG)	165	\$ 263,780
15	AGENCY OF HUMAN RESOURCES DEVELOPMENT (AHRD)	959	\$ 255,513
16	LT GOVERNOR'S OFFICE (LTGOV)	77	\$ 244,495
17	BUREAU OF BUDGET & MANAGEMENT RESEARCH (BBMR)	284	\$ 182,133
18	DEPART. OF INT. SERV. FOR IND WITH DISABILITIES (DISID)	102	\$ 181,528
19	DEPARTMENT OF PARKS AND RECREATION (DPR)	111	\$ 166,167
20	DEPARTMENT OF YOUTH AFFAIRS (DYA)	264	\$ 153,091
21	DEPARTMENT OF LABOR (DOL)	268	\$ 138,502
22	DEPARTMENT OF LAND MANAGEMENT (DLM)	95	\$ 117,376
23	GUAM ENVIRONMENTAL PROTECTION AGENCY (GEPA)	79	\$ 114,191
24	DEPARTMENT OF MILITARY AFFAIRS (MIL)	127	\$ 105,647
25	CIVIL SERVICE COMMISSION (CSC)	33	\$ 71,330
26	DEPARTMENT OF CHAMORRO AFFAIRS (DCA)	41	\$ 52,647
27	MISCELLANEOUS ENTITIES	40	\$ 48,299
28	GUAM PUBLIC LIBRARY (GPL)	66	\$ 47,470
29	CHIEF MEDICAL EXAMINER (CME)	5	\$ 45,839
30	OFFICE OF PUBLIC ACCOUNTABILITY (OPA)	34	\$ 33,452
31	COUNCIL OF ARTS & HUMANITIES AGENCY (CAHA)	21	\$ 32,855
32	GUAM ELECTION COMMISSION (GEC)	12	\$ 31,652
33	GUAM ENERGY OFFICE (GEO)	23	\$ 27,357
34	GUAM EDUCATIONAL TELECOM CORPORATION (KGTF)	15	\$ 22,861
35	GUAM COMMISSION FOR EDUCATOR CERTIFICATION (GCEC)	10	\$ 19,084
36	VETERANS' AFFAIRS OFFICE (VAO)	7	\$ 9,833
37	CHAMORRO LAND TRUST COMMISSION (CLTC)	13	\$ 6,381
38	OFFICE OF THE EDUCATION SURUHANU (OES)	3	\$ 3,660
	Subtotal	8,164	\$ 8,513,024
	FY 2009 to FY 2011 Total	25,904	\$ 19,379,437

⁶ We noted that BSP was part of the top five entities primarily due to the 2010 Census limited-term employees that were paid as part of the demand run process instead of the biweekly payroll.

Agency Payments by Amount per Fiscal Year

FY 2009

	Agency	# of Checks	Amount
1	GUAM POLICE DEPARTMENT (GPD)	2,937	\$ 1,363,955
2	DEPARTMENT OF CORRECTIONS (DOC)	1,040	\$ 855,720
3	MAYORS COUNCIL OF GUAM (MCOG)	246	\$ 604,650
4	CUSTOMS AND QUARANTINE AGENCY (CQA)	1,392	\$ 598,477
5	DEPARTMENT OF ADMINISTRATION (DOA)	342	\$ 309,233
	Top 5 Subtotal	5,957	\$ 3,732,035
6	DEPARTMENT OF REVENUE & TAXATION (DRT)	427	\$ 298,940
7	OFFICE OF THE GOVERNOR (GOV)	117	\$ 243,764
8	DEPARTMENT OF MENTAL HEALTH & SUBSTANCE ABUSE	124	\$ 218,292
9	DEPARTMENT OF PUBLIC WORKS (DPW)	184	\$ 209,525
10	DEPARTMENT OF PUBLIC HEALTH & SOCIAL SERVICES (DPHSS)	341	\$ 199,767
11	GUAM FIRE DEPARTMENT (GFD)	98	\$ 136,207
12	AGENCY OF HUMAN RESOURCES DEVELOPMENT (AHRD)	228	\$ 107,603
13	DEPARTMENT OF PARKS AND RECREATION (DPR)	30	\$ 81,640
14	DEPART. OF INT. SERV. FOR IND WITH DISABILITIES (DISID)	26	\$ 63,770
15	DEPARTMENT OF AGRICULTURE (DOAG)	28	\$ 51,806
16	DEPARTMENT OF LAND MANAGEMENT (DLM)	16	\$ 41,188
17	DEPARTMENT OF LAW (LAW)	33	\$ 35,409
18	BUREAU OF BUDGET & MANAGEMENT RESEARCH (BBMR)	27	\$ 34,957
19	DEPARTMENT OF LABOR (DOL)	135	\$ 29,377
20	CIVIL SERVICE COMMISSION (CSC)	9	\$ 28,575
21	DEPARTMENT OF YOUTH AFFAIRS (DYA)	59	\$ 27,552
22	DEPARTMENT OF MILITARY AFFAIRS (DMA)	30	\$ 26,048
23	LT GOVERNOR'S OFFICE (LT.GOV)	7	\$ 24,705
24	OFFICE OF PUBLIC ACCOUNTABILITY (OPA)	12	\$ 18,786
25	GUAM EDUCATIONAL TELECOM CORPORATION (KGTF)	3	\$ 14,732
26	COUNCIL OF ARTS & HUMANITIES AGENCY (CAHA)	5	\$ 13,888
27	GUAM ENVIRONMENTAL PROTECTION AGENCY (GEPA)	8	\$ 9,087
28	GUAM ENERGY OFFICE (GEO)	3	\$ 9,074
29	DEPARTMENT OF CHAMORRO AFFAIRS (DCA)	7	\$ 6,887
30	GUAM ELECTION COMMISSION (GEC)	1	\$ 6,194
31	BUREAU OF STATISTICS AND PLANS (BSP)	8	\$ 4,973
32	CHAMORRO LAND TRUST COMMISSION (CLTC)	6	\$ 4,863
33	VETERANS' AFFAIRS OFFICE (VAO)	4	\$ 3,526
34	MISCELLANEOUS ENTITIES	6	\$ 3,107
35	GUAM PUBLIC LIBRARY (GPL)	6	\$ 3,475
36	CHIEF MEDICAL EXAMINER (CME)	1	\$ 345
37	OFFICE OF THE EDUCATION SURUHANU (OES)	0	\$ -
38	GUAM COMMISSION FOR EDUCATION RECERTIFICATION	0	\$ -
	Subtotal	1,989	\$ 1,958,061
	FY 2009 Total	7,946	\$ 5,690,096

Agency Payments by Amount per Fiscal Year

FY 2010

	Agency	# of Checks	Amount
1	BUREAU OF STATISTICS AND PLANS (BSP) ⁷	1532	\$ 1,070,281
2	DEPARTMENT OF CORRECTIONS (DOC)	424	\$ 934,814
3	GUAM POLICE DEPARTMENT (GPD)	1459	\$ 796,676
4	CUSTOMS AND QUARANTINE AGENCY (CQA)	1543	\$ 674,934
5	DEPARTMENT OF PUBLIC HEALTH & SOCIAL SERVICES	724	\$ 416,065
	Top 5 Subtotal	5,682	\$ 3,892,769
6	GUAM FIRE DEPARTMENT (GFD)	408	\$ 350,368
7	DEPARTMENT OF ADMINISTRATION (DOA)	423	\$ 344,751
8	DEPARTMENT OF MENTAL HEALTH & SUBSTANCE ABUSE	150	\$ 252,931
9	DEPARTMENT OF PUBLIC WORKS (DPW)	263	\$ 240,963
10	DEPARTMENT OF REVENUE & TAXATION (DRT)	234	\$ 217,633
11	OFFICE OF THE GOVERNOR (GOV)	77	\$ 133,168
12	DEPARTMENT OF LAW (LAW)	49	\$ 117,078
13	AGENCY OF HUMAN RESOURCES DEVELOPMENT (AHRD)	311	\$ 100,314
14	BUREAU OF BUDGET & MANAGEMENT RESEARCH (BBMR)	221	\$ 83,988
15	MAYOR'S COUNCIL OF GUAM (MCOG)	57	\$ 77,157
16	DEPARTMENT OF AGRICULTURE (DOAG)	38	\$ 54,824
17	DEPARTMENT OF YOUTH AFFAIRS (DYA)	78	\$ 51,665
18	GUAM ENVIRONMENTAL PROTECTION AGENCY (GEPA)	13	\$ 37,686
19	DEPARTMENT OF MILITARY AFFAIRS (MIL)	42	\$ 35,048
20	DEPART. OF INT. SERV. FOR IND WITH DISABILITIES (DISID)	16	\$ 28,324
21	DEPARTMENT OF PARKS AND RECREATION (DPR)	17	\$ 27,122
22	DEPARTMENT OF LABOR (DOL)	37	\$ 25,089
23	CIVIL SERVICE COMMISSION (CSC)	11	\$ 21,734
24	LT GOVERNOR'S OFFICE (LTGOV)	3	\$ 18,724
25	MISCELLANEOUS ENTITIES	8	\$ 16,912
26	DEPARTMENT OF CHAMORRO AFFAIRS (DCA)	12	\$ 15,704
27	GUAM PUBLIC LIBRARY (GPL)	12	\$ 12,004
28	GUAM ENERGY OFFICE (GEO)	8	\$ 10,245
29	DEPARTMENT OF LAND MANAGEMENT (DLM)	15	\$ 8,651
30	VETERANS' AFFAIRS OFFICE (VAO)	3	\$ 6,307
31	GUAM COMMISSION FOR EDUCATOR CERTIFICATION (GCEC)	5	\$ 4,247
32	COUNCIL OF ARTS & HUMANITIES AGENCY (CAHA)	7	\$ 3,354
33	OFFICE OF THE EDUCATION SURUHANU (OES)	2	\$ 2,835
34	GUAM EDUCATIONAL TELECOM CORPORATION (KGTF)	3	\$ 1,856
35	GUAM ELECTION COMMISSION (GEC)	2	\$ 1,569
36	CHAMORRO LAND TRUST COMMISSION (CLTC)	7	\$ 1,518
37	OFFICE OF PUBLIC ACCOUNTABILITY (OPA)	3	\$ 162
38	CHIEF MEDICAL EXAMINER (CME)	0	\$ -
	Subtotal	2,535	\$ 2,303,933
	FY 2010 Total	8,217	\$ 6,196,702

⁷ We noted that BSP was part of the top five entities primarily due to the 2010 Census limited-term employees that were paid as part of the demand run process instead of the biweekly payroll.

Agency Payments by Amount per Fiscal Year

FY 2011

	Agency	# of Checks	Amount
1	DEPARTMENT OF CORRECTIONS (DOC)	1142	\$ 1,333,663
2	GUAM POLICE DEPARTMENT (GPD)	2701	\$ 1,327,343
3	CUSTOMS AND QUARANTINE AGENCY (CQA)	1824	\$ 746,415
4	OFFICE OF THE GOVERNOR (GOV)	242	\$ 594,248
5	DEPARTMENT OF PUBLIC HEALTH & SOCIAL SERVICE (DPHSS)	617	\$ 487,322
	Top 5 Subtotal	6,526	\$ 4,488,991
6	DEPARTMENT OF PUBLIC WORKS (DPW)	484	\$ 403,394
7	DEPARTMENT OF ADMINISTRATION (DOA)	345	\$ 359,017
8	GUAM FIRE DEPARTMENT (GFD)	395	\$ 309,054
9	DEPARTMENT OF MENTAL HEALTH & SUBSTANCE ABUSE	268	\$ 288,303
10	LT GOVERNOR'S OFFICE (LTGOV)	67	\$ 201,067
11	DEPARTMENT OF REVENUE & TAXATION (DRT)	146	\$ 169,529
12	DEPARTMENT OF AGRICULTURE (DOAG)	99	\$ 157,149
13	DEPARTMENT OF LAW (LAW)	141	\$ 139,377
14	DEPART. OF INT. SERV. FOR IND WITH DISABILITIES (DISID)	60	\$ 89,433
15	MAYOR'S COUNCIL OF GUAM (MCOG)	57	\$ 84,892
16	DEPARTMENT OF LABOR (DOL)	96	\$ 84,036
17	DEPARTMENT OF YOUTH AFFAIRS (DYA)	127	\$ 73,874
18	DEPARTMENT OF LAND MANAGEMENT (DLM)	64	\$ 67,537
19	GUAM ENVIRONMENTAL PROTECTION AGENCY (GEPA)	58	\$ 67,419
20	BUREAU OF BUDGET & MANAGEMENT RESEARCH (BBMR)	36	\$ 63,188
21	DEPARTMENT OF PARKS AND RECREATION (DPR)	64	\$ 57,404
22	BUREAU OF STATISTICS AND PLANS (BSP)	56	\$ 56,010
23	AGENCY OF HUMAN RESOURCES DEVELOPMENT (AHRD)	420	\$ 47,595
24	CHIEF MEDICAL EXAMINER (CME)	4	\$ 45,494
25	DEPARTMENT OF MILITARY AFFAIRS (MIL)	55	\$ 44,551
26	GUAM PUBLIC LIBRARY (GPL)	48	\$ 31,992
27	DEPARTMENT OF CHAMORRO AFFAIRS (DCA)	22	\$ 30,056
28	MISCELLANEOUS ENTITIES	26	\$ 28,280
29	GUAM ELECTION COMMISSION (GEC)	9	\$ 23,888
30	CIVIL SERVICE COMMISSION (CSC)	13	\$ 21,021
31	COUNCIL OF ARTS & HUMANITIES AGENCY (CAHA)	9	\$ 15,613
32	GUAM COMMISSION FOR EDUCATOR CERTIFICATION (GCEC)	5	\$ 14,837
33	OFFICE OF PUBLIC ACCOUNTABILITY (OPA)	19	\$ 14,504
34	GUAM ENERGY OFFICE (GEO)	12	\$ 8,038
35	GUAM EDUCATIONAL TELECOM CORPORATION (KGTF)	9	\$ 6,272
36	OFFICE OF THE EDUCATION SURUHANU (OES)	1	\$ 824
37	VETERANS' AFFAIRS OFFICE (VAO)	0	\$ -
38	CHAMORRO LAND TRUST COMMISSION (CLTC)	0	\$ -
	Subtotal	3,215	\$ 3,003,648
	FY 2011 Total	9,741	\$ 7,492,639

Agency Payments by Frequency per Fiscal Year

Overall Top 5 Agencies by Frequency (FY 2009 to FY 2011)

	Agency	# of Checks	Amount
1	GUAM POLICE DEPARTMENT	7,097	\$ 3,487,974
2	CUSTOMS AND QUARANTINE AGENCY	4,759	\$ 2,019,826
3	DEPARTMENT OF CORRECTIONS	2,606	\$ 3,124,196
4	DEPARTMENT OF PUBLIC HEALTH & SOCIAL SER	1,682	\$ 1,103,154
5	BUREAU OF STATISTICS AND PLANS	1,596	\$ 1,131,263
	Top 5 Subtotal	17,740	\$ 10,866,413
6	DEPARTMENT OF ADMINISTRATION	1,110	\$ 1,013,002
7	AGENCY OF HUMAN RESOURCES DEVELOPMENT (A	959	\$ 255,513
8	DEPARTMENT OF PUBLIC WORKS	931	\$ 853,881
9	GUAM FIRE DEPARTMENT	901	\$ 795,629
10	DEPARTMENT OF REVENUE & TAXATION	807	\$ 686,101
11	DEPARTMENT OF MENTAL HEALTH & SUBSTANCE	542	\$ 759,526
12	OFFICE OF THE GOVERNOR	436	\$ 971,181
13	MAYOR'S COUNCIL	360	\$ 766,699
14	BUREAU OF BUDGET & MANAGEMENT RESEARCH	284	\$ 182,133
15	DEPARTMENT OF LABOR	268	\$ 138,502
16	DEPARTMENT OF YOUTH AFFAIRS	264	\$ 153,091
17	DEPARTMENT OF LAW	223	\$ 291,864
18	DEPARTMENT OF AGRICULTURE	165	\$ 263,780
19	DEPARTMENT OF MILITARY AFFAIRS	127	\$ 105,647
20	DEPARTMENT OF PARKS AND RECREATION	111	\$ 166,167
21	DEPARTMENT OF INTEGRATED SERVICES FOR IN	102	\$ 181,528
22	DEPARTMENT OF LAND MANAGEMENT	95	\$ 117,376
23	GUAM ENVIRONMENTAL PROTECTION AGENCY	79	\$ 114,191
24	LT GOVERNOR'S OFFICE	77	\$ 244,495
25	GUAM PUBLIC LIBRARY	66	\$ 47,470
26	DEPARTMENT OF CHAMORRO AFFAIRS	41	\$ 52,647
27	MISCELLANEOUS ENTITIES	38	\$ 48,702
28	PUBLIC AUDITOR	34	\$ 33,452
29	CIVIL SERVICE COMMISSION	33	\$ 71,330
30	GUAM ENERGY OFFICE	23	\$ 27,357
31	COUNCIL OF ARTS & HUMANITIES	21	\$ 32,855
32	GUAM EDUCATIONAL TELECOM CORPORATION	15	\$ 22,861
33	CHAMORRO LAND TRUST COMMISSION	13	\$ 6,381
34	GUAM ELECTION COMMISSION	12	\$ 31,652
35	GUAM COMMISSION FOR EDUCATOR CERTIFICATION	10	\$ 19,084
36	VETERANS' AFFAIRS OFFICE	7	\$ 9,833
37	CHIEF MEDICAL EXAMINER	5	\$ 45,839
38	OFFICE OF THE EDUCATION SURUHANU	3	\$ 3,660
39	AGENCY WORK REQUESTS	2	\$ (403)
	Subtotal	8,164	8,513,024
	Grand Total	25,904	19,379,437

Agency Payments by Frequency per Fiscal Year

Overall Top 5 Agencies by Frequency (FY 2009)

	Agency	# of Checks	Amount
1	GUAM POLICE DEPARTMENT	2,937	\$ 1,363,955
2	CUSTOMS AND QUARANTINE AGENCY	1,392	\$ 598,477
3	DEPARTMENT OF CORRECTIONS	1,040	\$ 855,720
4	DEPARTMENT OF REVENUE & TAXATION	427	\$ 298,940
5	DEPARTMENT OF ADMINISTRATION	342	\$ 309,233
	Top 5 Subtotal	6,138	\$ 3,426,325
6	DEPARTMENT OF PUBLIC HEALTH & SOCIAL SER	341	\$ 199,767
7	MAYOR'S COUNCIL	246	\$ 604,650
8	AGENCY OF HUMAN RESOURCES DEVELOPMENT (A	228	\$ 107,603
9	DEPARTMENT OF PUBLIC WORKS	184	\$ 209,525
10	DEPARTMENT OF LABOR	135	\$ 29,377
11	DEPARTMENT OF MENTAL HEALTH & SUBSTANCE	124	\$ 218,292
12	OFFICE OF THE GOVERNOR	117	\$ 243,764
13	GUAM FIRE DEPARTMENT	98	\$ 136,207
14	DEPARTMENT OF YOUTH AFFAIRS	59	\$ 27,552
15	DEPARTMENT OF LAW	33	\$ 35,409
16	DEPARTMENT OF PARKS AND RECREATION	30	\$ 81,640
17	DEPARTMENT OF MILITARY AFFAIRS	30	\$ 26,048
18	DEPARTMENT OF AGRICULTURE	28	\$ 51,806
19	BUREAU OF BUDGET & MANAGEMENT RESEARCH	27	\$ 34,957
20	DEPARTMENT OF INTEGRATED SERVICES FOR IN	26	\$ 63,770
21	DEPARTMENT OF LAND MANAGEMENT	16	\$ 41,188
22	PUBLIC AUDITOR	12	\$ 18,786
23	CIVIL SERVICE COMMISSION	9	\$ 28,575
24	GUAM ENVIRONMENTAL PROTECTION AGENCY	8	\$ 9,087
25	BUREAU OF STATISTICS AND PLANS	8	\$ 4,973
26	LT GOVERNOR'S OFFICE	7	\$ 24,705
27	DEPARTMENT OF CHAMORRO AFFAIRS	7	\$ 6,887
28	CHAMORRO LAND TRUST COMMISSION	6	\$ 4,863
29	GUAM PUBLIC LIBRARY	6	\$ 3,475
30	COUNCIL OF ARTS & HUMANITIES	5	\$ 13,888
31	VETERANS' AFFAIRS OFFICE	4	\$ 3,526
32	MISCELLANEOUS ENTITIES	4	\$ 3,510
33	GUAM EDUCATIONAL TELECOM CORPORATION	3	\$ 14,732
34	GUAM ENERGY OFFICE	3	\$ 9,074
35	AGENCY WORK REQUESTS	2	\$ (403)
36	GUAM ELECTION COMMISSION	1	\$ 6,194
37	CHIEF MEDICAL EXAMINER	1	\$ 345
38	GUAM COMMISSION FOR EDUCATOR CERTIFICATION	-	\$ -
39	OFFICE OF THE EDUCATION SURUHANU	-	\$ -
	Subtotal	1,808	\$ 2,263,772
	Grand Total	7,946	\$ 5,690,096

Agency Payments by Frequency per Fiscal Year

Overall Top 5 Agencies by Frequency (FY 2010)

	Agency	# of Checks	Total Payments
1	CUSTOMS AND QUARANTINE AGENCY	1,543	\$ 674,934
2	BUREAU OF STATISTICS AND PLANS	1,532	\$ 1,070,281
3	GUAM POLICE DEPARTMENT	1,459	\$ 796,676
4	DEPARTMENT OF PUBLIC HEALTH & SOCIAL SER	724	\$ 416,065
5	DEPARTMENT OF CORRECTIONS	424	\$ 934,814
	Top 5 Subtotal	5,682	\$ 3,892,769
6	DEPARTMENT OF ADMINISTRATION	423	\$ 344,751
7	GUAM FIRE DEPARTMENT	408	\$ 350,368
8	AGENCY OF HUMAN RESOURCES DEVELOPMENT (A	311	\$ 100,314
9	DEPARTMENT OF PUBLIC WORKS	263	\$ 240,963
10	DEPARTMENT OF REVENUE & TAXATION	234	\$ 217,633
11	BUREAU OF BUDGET & MANAGEMENT RESEARCH	221	\$ 83,988
12	DEPARTMENT OF MENTAL HEALTH & SUBSTANCE	150	\$ 252,931
13	DEPARTMENT OF YOUTH AFFAIRS	78	\$ 51,665
14	OFFICE OF THE GOVERNOR	77	\$ 133,168
15	MAYOR'S COUNCIL	57	\$ 77,157
16	DEPARTMENT OF LAW	49	\$ 117,078
17	DEPARTMENT OF MILITARY AFFAIRS	42	\$ 35,048
18	DEPARTMENT OF AGRICULTURE	38	\$ 54,824
19	DEPARTMENT OF LABOR	37	\$ 25,089
20	DEPARTMENT OF PARKS AND RECREATION	17	\$ 27,122
21	DEPARTMENT OF INTEGRATED SERVICES FOR IN	16	\$ 28,324
22	DEPARTMENT OF LAND MANAGEMENT	15	\$ 8,651
23	GUAM ENVIRONMENTAL PROTECTION AGENCY	13	\$ 37,686
24	DEPARTMENT OF CHAMORRO AFFAIRS	12	\$ 15,704
25	GUAM PUBLIC LIBRARY	12	\$ 12,004
26	CIVIL SERVICE COMMISSION	11	\$ 21,734
27	MISCELLANEOUS ENTITIES	8	\$ 16,912
28	GUAM ENERGY OFFICE	8	\$ 10,245
29	CHAMORRO LAND TRUST COMMISSION	7	\$ 1,518
30	COUNCIL OF ARTS & HUMANITIES	7	\$ 3,354
31	GUAM COMMISSION FOR EDUCATOR CERTIFICATION	5	\$ 4,247
32	PUBLIC AUDITOR	3	\$ 162
33	LT GOVERNOR'S OFFICE	3	\$ 18,724
34	VETERANS' AFFAIRS OFFICE	3	\$ 6,307
35	GUAM EDUCATIONAL TELECOM CORPORATION	3	\$ 1,856
36	GUAM ELECTION COMMISSION	2	\$ 1,569
37	OFFICE OF THE EDUCATION SURUHANU	2	\$ 2,835
38	AGENCY WORK REQUESTS	-	\$ -
39	CHIEF MEDICAL EXAMINER	-	\$ -
	Subtotal	2,535	\$ 2,303,933
	Grand Total	8,217	\$ 6,196,702

Agency Payments by Frequency per Fiscal Year

Overall Top 5 Agencies by Frequency (FY 2011)

	Agency	# of Checks	Amount
1	GUAM POLICE DEPARTMENT	2,701	\$ 1,327,343
2	CUSTOMS AND QUARANTINE AGENCY	1,824	\$ 746,415
3	DEPARTMENT OF CORRECTIONS	1,142	\$ 1,333,663
4	DEPARTMENT OF PUBLIC HEALTH & SOCIAL SER	617	\$ 487,322
5	DEPARTMENT OF PUBLIC WORKS	484	\$ 403,394
	Top 5 Subtotal	6,768	\$ 4,298,136
6	AGENCY OF HUMAN RESOURCES DEVELOPMENT (A	420	\$ 47,595
7	GUAM FIRE DEPARTMENT	395	\$ 309,054
8	DEPARTMENT OF ADMINISTRATION	345	\$ 359,017
9	DEPARTMENT OF MENTAL HEALTH & SUBSTANCE	268	\$ 288,303
10	OFFICE OF THE GOVERNOR	242	\$ 594,248
11	DEPARTMENT OF REVENUE & TAXATION	146	\$ 169,529
12	DEPARTMENT OF LAW	141	\$ 139,377
13	DEPARTMENT OF YOUTH AFFAIRS	127	\$ 73,874
14	DEPARTMENT OF AGRICULTURE	99	\$ 157,149
15	DEPARTMENT OF LABOR	96	\$ 84,036
16	LT GOVERNOR'S OFFICE	67	\$ 201,067
17	DEPARTMENT OF PARKS AND RECREATION	64	\$ 57,404
18	DEPARTMENT OF LAND MANAGEMENT	64	\$ 67,537
19	DEPARTMENT OF INTEGRATED SERVICES FOR IN	60	\$ 89,433
20	GUAM ENVIRONMENTAL PROTECTION AGENCY	58	\$ 67,419
21	MAYOR'S COUNCIL	57	\$ 84,892
22	BUREAU OF STATISTICS AND PLANS	56	\$ 56,010
23	DEPARTMENT OF MILITARY AFFAIRS	55	\$ 44,551
24	GUAM PUBLIC LIBRARY	48	\$ 31,992
25	BUREAU OF BUDGET & MANAGEMENT RESEARCH	36	\$ 63,188
26	MISCELLANEOUS ENTITIES	26	\$ 28,280
27	DEPARTMENT OF CHAMORRO AFFAIRS	22	\$ 30,056
28	PUBLIC AUDITOR	19	\$ 14,504
29	CIVIL SERVICE COMMISSION	13	\$ 21,021
30	GUAM ENERGY OFFICE	12	\$ 8,038
31	COUNCIL OF ARTS & HUMANITIES	9	\$ 15,613
32	GUAM EDUCATIONAL TELECOM CORPORATION	9	\$ 6,272
33	GUAM ELECTION COMMISSION	9	\$ 23,888
34	GUAM COMMISSION FOR EDUCATOR CERTIFICATION	5	\$ 14,837
35	CHIEF MEDICAL EXAMINER	4	\$ 45,494
36	OFFICE OF THE EDUCATION SURUHANU	1	\$ 824
37	CHAMORRO LAND TRUST COMMISSION	0	\$ -
38	VETERANS' AFFAIRS OFFICE	0	\$ -
39	AGENCY WORK REQUESTS	0	\$ -
	Subtotal	2,973	\$ 3,194,503
	Grand Total	9,741	\$ 7,492,639

Top 20 Employees by Amount per Fiscal Year

FY 2009 to FY 2011

	Agency	Employees' Position Title	FY 2009	FY 2010	FY 2011	Total Amount	# of Checks
1	CQA	CUSTOMS OFFICER SUPERVISOR	\$ 38,001	\$ 25,012	\$ 25,844	\$ 88,857	73
2	GFD	ASSISTANT FIRE CHIEF	-	80,282	-	80,282	2
3	CQA	ASST CUSTOMS CHIEF	27,166	26,887	25,269	79,322	72
4	GFD	ASSISTANT FIRE CHIEF	16,816	7,777	46,953	71,547	17
5	DPW	ENGINEER SUPERVISOR	57,761	6,833	609	65,203	8
6	CQA	CUSTOMS OFFICER SUPERVISOR	20,312	23,704	19,012	63,027	76
7	GPD	POLICE OFFICER III	28,642	6,477	26,336	61,454	36
8	DMHSA	DIRECTOR	54,095	7,232	-	61,327	2
9	GPD	POLICE OFFICER III	15,492	13,589	28,437	57,519	34
10	DOC	CORRECTION GUARD	2,601	35,717	18,416	56,733	12
11	DOA	CHIEF PROCUREMENT OFFICER	1,977	52,041	2,300	56,318	12
12	DPR	DEPUTY DIRECTOR	55,181	-	-	55,181	1
13	CQA	CUSTOMS OFFICER III	18,527	18,649	17,666	54,841	75
14	CQA	CUSTOMS OFFICER SUPERVISOR	14,691	21,425	17,367	53,483	69
15	CQA	ASST CUSTOMS CHIEF	19,335	12,885	18,415	50,636	63
16	CQA	CUSTOMS OFFICER SUPERVISOR	5,786	13,958	19,244	48,987	73
17	CQA	CUSTOMS OFFICER III	14,205	16,174	17,392	47,771	73
18	DOC	CORRECTION OFFICER I	6,756	19,386	20,604	46,745	17
19	CQA	CUSTOMS OFFICER II	15,427	15,062	16,154	46,642	73
20	CQA	CUSTOMS OFFICER II	15,794	14,435	15,129	45,358	70
Top 20 Subtotal			\$438,564	\$ 417,525	\$335,146	\$1,191,235	858
Other 5,142 Employees			\$5,251,532	\$5,779,177	\$7,157,493	\$18,188,202	25,046
Grand Total FY 2009 to FY 2011			\$5,690,096	\$6,196,702	\$7,492,639	\$19,379,437	25,904

Top 20 Employees by Amount per Fiscal Year

FY 2009

	Agency	Employees' Position Title	# of Checks	Total Amount
1	DPW	ENGINEER SUPERVISOR	4	\$ 57,761
2	DPR	DEPUTY DIRECTOR	1	\$ 55,181
3	DMHSS	DIRECTOR	1	\$ 54,095
4	CQA	CUSTOMS OFFICER SUPERVISOR	24	\$ 38,001
5	GPD	POLICE OFFICER III	16	\$ 28,642
6	CQA	ADMIN. SERVICES OFFICER	3	\$ 27,618
7	CQA	ASST CUSTOMS CHIEF	22	\$ 27,166
8	CQA	CUSTOMS OFF SUPP.	25	\$ 23,574
9	CQA	CUSTOMS OFFICER SUPERVISOR	25	\$ 20,312
10	CQA	ASST CUSTOMS CHIEF	21	\$ 19,335
11	GPD	POLICE OFFICER III	19	\$ 18,954
12	CQA	CUSTOMS & QUARANTINE OFFICER III	25	\$ 18,527
13	DOA	PERSONNEL MANAGEMENT ANALYST III	4	\$ 17,762
14	DOC	CORRECTION OFFICER III	7	\$ 17,330
15	GOV	SENIOR ADVISOR TO THE GOVERNOR	9	\$ 17,275
16	DOC	ADMIN. SERVICES OFFICER	1	\$ 17,226
17	GFD	ASSISTANT FIRE CHIEF ⁸	4	\$ 16,816
18	DISID	CLERK TYPIST III	1	\$ 16,501
19	CQA	ASST CUSTOMS CHIEF	23	\$ 16,421
20	CQA	CUSTOMS OFFICER II	24	\$ 15,794
		Top 20 Subtotal	259	\$ 524,292
		Other 5,142 Employees	7,687	\$ 5,165,804
		Grand Total	7,946	\$ 5,690,096

⁸ Please refer to OPA Report 10-08 for more information.

Top 20 Employees by Amount per Fiscal Year

FY 2010

	Agency	Employees' Position Title	# of Checks	Total Amount
1	GFD	ASSISTANT FIRE CHIEF	2	\$ 80,282
2	GSA	CHIEF PROCUREMENT OFFICER	8	\$ 52,041
3	AG	ATTORNEY GENERAL	2	\$ 40,488
4	DPW	SCHOOL BUS DRIVER SUPERVISOR	1	\$ 36,475
5	DOC	CORRECTIONS GUARD	3	\$ 35,717
6	DOC	CORRECTION OFFICER II	2	\$ 34,530
7	DOC	CLINICAL ADMINISTRATOR	1	\$ 30,772
8	DOC	CORRECTIONS GUARD	3	\$ 28,211
9	CQA	ASST CUSTOMS CHIEF	24	\$ 26,887
10	CQA	CUSTOMS OFFICER SUPERVISOR	23	\$ 25,012
11	DOC	SECURITY GUARD (ARMED)	2	\$ 23,933
12	CQA	CUSTOMS OFFICER SUPERVISOR	25	\$ 23,704
13	DOC	CORRECTION OFFICER III	4	\$ 23,506
14	DPW	SCHOOL BUS DRIVER	4	\$ 23,350
15	DPHSS	DIRECTOR	4	\$ 22,441
16	CQA	CUSTOMS & QURANTINE OFF SUP	23	\$ 21,425
17	DOA	BUYER SUPERVISOR II	9	\$ 20,378
18	DOC	CORRECTION OFFICER II	3	\$ 19,680
19	GPD	POLICE OFFICER III	6	\$ 19,560
20	DOC	CORRECTION OFFICER I	4	\$ 19,386
		Total	153	\$ 607,779
		Other 5,142 Employees	8,064	\$ 5,588,923
		Grand Total	8,217	\$ 6,196,702

Top 20 Employees by Amount per Fiscal Year

FY 2011

	Agency	Employees' Position Title	# of Checks	Total Amount
1	GFD	ASSISTANT FIRE CHIEF ⁹	10	\$ 46,953
2	CME	CHIEF MEDICAL EXAMINER	2	\$ 44,930
3	DOA	DIRECTOR	2	\$ 36,829
4	GDOA	DEPUTY DIRECTOR	1	\$ 30,245
5	BBMR	DIRECTOR	1	\$ 28,728
6	GPD	POLICE OFFICER IIIA	10	\$ 28,437
7	GPD	POLICE OFFICER III	13	\$ 26,336
8	GPD	POLICE SERGEANT I	2	\$ 25,958
9	CQA	CUSTOMS OFFICER SUPERVISOR	26	\$ 25,844
10	CQA	ASST CUSTOMS CHIEF	26	\$ 25,269
11	DOA	DEPUTY DIRECTOR	3	\$ 24,189
12	GFD	FIRE CAPTAIN	4	\$ 23,937
13	DOA	PERSONNEL MGMT. ADMINISTRATOR	2	\$ 23,593
14	GEPA	ADMINISTRATOR	1	\$ 23,400
15	DOC	DETENTION FACILITY GUARD	2	\$ 22,869
16	DRT	DIRECTOR	2	\$ 21,888
17	DISID	VOCATIONAL REHAB ADMINISTRATOR	4	\$ 20,868
18	DOC	DETENTION FACILITY GUARD LEADER	4	\$ 20,752
19	DOC	CORRECTION OFFICER I	9	\$ 20,604
20	DRT	COMMISSIONER OF BANKING AND INS.	2	\$ 20,520
		Total	126	\$ 542,148
		Other 5,142 Employees	9,615	\$ 6,950,491
		Grand Total	9,741	\$ 7,492,639

⁹ Please refer to OPA Report 10-08 for more information.

Top 20 Employees by Frequency per Fiscal Year

FY 2009 to FY 2011

	Agency	Employees' Position Title	FY 2009 #	FY 2010 #	FY 2011 #	# of Checks
1	CQA	CUSTOMS OFFICER SUPERVISOR	25	25	26	76
2	CQA	CUSTOMS OFFICER III	25	24	26	75
3	CQA	CUSTOMS OFFICER II	24	23	26	73
4	CQA	CUSTOMS OFFICER III	25	22	26	73
5	CQA	CUSTOMS OFFICER SUPERVISOR	23	24	26	73
6	CQA	CUSTOMS OFFICER SUPERVISOR	23	23	27	73
7	CQA	CUSTOMS OFFICER SUPERVISOR	24	23	26	73
8	CQA	CUSTOMS OFFICER II	22	24	26	72
9	CQA	ASST CHIEF OF CUSTOMS	24	22	26	72
10	CQA	CUSTOMS OFFICER III	23	23	26	72
11	CQA	CUSTOMS OFFICER II	22	24	26	72
12	CQA	CUSTOMS OFFICER II	24	22	24	70
13	CQA	CUSTOMS OFFICER III	22	23	24	69
14	CQA	CUSTOMS OFFICER SUPERVISOR	24	24	21	69
15	CQA	CUSTOMS OFFICER I	21	23	25	69
16	CQA	CUSTOMS OFFICER II	23	23	23	69
17	CQA	CUSTOMS OFFICER II	21	23	25	69
18	CQA	CUSTOMS OFFICER SUPERVISOR	23	21	25	69
19	CQA	CUSTOMS OFFICER II	21	23	25	69
20	CQA	CUSTOMS OFFICER I	22	22	25	69
		Top 20 Subtotal	461	461	504	1,426
		Other 5,142 Employees	7,485	7,756	9,237	24,478
		Grand Total FY 2009 to FY 2011	7,946	8,217	9,741	25,904

Top 20 Employees by Frequency per Fiscal Year

FY 2009

	Agency	Employees' Position Title	# of Checks	Total Amount
1	CQA	CUSTOMS OFFICER SUPERVISOR	25	\$ 20,312
2	CQA	CUSTOMS OFFICER SUPERVISOR	25	18,527
3	CQA	CUSTOMS OFFICER III	25	15,786
4	CQA	CUSTOMS OFFICER SUPERVISOR	25	15,549
5	GPD	POLICE OFFICER III	25	23,574
6	CQA	CUSTOMS OFFICER SUPERVISOR	24	12,695
7	CQA	CUSTOMS OFFICER II	24	9,609
8	CQA	CUSTOMS OFFICER II	24	38,001
9	CQA	CUSTOMS OFFICER SUPERVISOR	24	14,241
10	CQA	CUSTOMS OFFICER SUPERVISOR	24	15,794
11	CQA	ASST CHIEF OF CUSTOMS	23	2,510
12	GPD	POLICE SERGEANT I	23	14,205
13	CQA	CUSTOMS OFFICER II	23	15,427
14	CQA	CUSTOMS OFFICER III	23	7,684
15	GPD	POLICE OFFICER III	23	9,805
16	GPD	POLICE OFFICER II	23	7,262
17	CQA	CUSTOMS OFFICER III	23	5,598
18	CQA	CUSTOMS OFFICER I	23	4,880
19	CQA	CUSTOMS OFFICER II	23	16,421
20	CQA	CUSTOMS OFFICER SUPERVISOR	23	10,890
		Top 20 Subtotal	475	\$ 278,769
		Other 5,142 Employees	25,429	\$ 19,100,668
		Grand Total FY 2009	25,904	\$ 19,379,437

Top 20 Employees by Frequency per Fiscal Year

FY 2010

	Agency	Employees' Position Title	# of Checks	Total Amount
1	CQA	CUSTOMS OFFICER III	26	\$ 13,608
2	CQA	CUSTOMS OFFICER SUPERVISOR	25	23,704
3	CQA	CUSTOMS OFFICER I	25	7,755
4	CQA	CUSTOMS OFFICER III	24	18,649
5	CQA	CUSTOMS OFFICER SUPERVISOR	24	16,577
6	CQA	CUSTOMS OFFICER III	24	16,174
7	CQA	ASST CHIEF OF CUSTOMS	24	26,887
8	CQA	CUSTOMS OFFICER II	24	7,620
9	CQA	CUSTOMS OFFICER III	24	7,176
10	CQA	CUSTOMS OFFICER SUPERVISOR	23	25,012
11	CQA	CUSTOMS OFFICER SUPERVISOR	23	12,028
12	CQA	CUSTOMS OFFICER II	23	15,062
13	CQA	CUSTOMS OFFICER III	23	10,491
14	CQA	CUSTOMS OFFICER I	23	10,454
15	CQA	CUSTOMS OFFICER SUPERVISOR	23	21,425
16	CQA	CUSTOMS OFFICER II	23	5,730
17	CQA	CUSTOMS OFFICER III	23	10,830
18	CQA	CUSTOMS OFFICER SUPERVISOR	23	9,712
19	CQA	CUSTOMS OFFICER I	23	9,191
20	CQA	CUSTOMS OFFICER II	23	7,792
		Top 20 Subtotal	473	\$ 275,875
		Other 5,142 Employees	25,431	\$ 19,103,562
		Grand Total FY 2010	25,904	\$ 19,379,437

Top 20 Employees by Frequency per Fiscal Year

FY 2011

	Agency	Employees' Position Title	# of Checks	Total Amount
1	CQA	CUSTOMS OFFICER II	27	\$ 16,154
2	CQA	CUSTOMS OFFICER SUPERVISOR	26	19,012
3	CQA	CUSTOMS OFFICER III	26	17,666
4	CQA	CUSTOMS OFFICER III	26	17,392
5	CQA	ASST CHIEF OF CUSTOMS	26	25,269
6	CQA	CUSTOMS OFFICER II	26	11,889
7	CQA	CUSTOMS OFFICER SUPERVISOR	26	25,844
8	CQA	CUSTOMS OFFICER SUPERVISOR	26	15,063
9	CQA	CUSTOMS OFFICER III	26	11,006
10	CQA	CUSTOMS OFFICER III	26	11,440
11	CQA	CUSTOMS OFFICER SUPERVISOR	26	19,244
12	CQA	CUSTOMS OFFICER II	26	15,996
13	CQA	CUSTOMS OFFICER SUPERVISOR	26	16,388
14	CQA	CUSTOMS OFFICER II	26	8,938
15	CQA	CUSTOMS RECRUIT	26	9,346
16	CQA	CUSTOMS OFFICER III	26	11,921
17	CQA	CUSTOMS OFFICER I	26	4,690
18	CQA	CUSTOMS OFFICER III	25	13,371
19	CQA	CUSTOMS OFFICER SUPERVISOR	25	10,365
20	CQA	CUSTOMS OFFICER I	25	7,909
		Top 20 Subtotal	518	\$ 288,900
		Other 5,142 Employees	25,386	\$ 19,090,537
		Grand Total FY 2011	25,904	\$ 19,379,437

FY 2009 Calendar of Biweekly Payroll, Demand Runs, and Special Payments

▲ - Checks issued for biweekly payroll.

○ - Checks issued for demand runs/special payments.

★ - Checks issued for both biweekly payroll and demand runs/special payments.

FY 2009

OCTOBER 2008						
S	M	T	W	T	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

NOVEMBER 2008						
S	M	T	W	T	F	S
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30						

DECEMBER 2008						
S	M	T	W	T	F	S
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			

JANUARY 2009						
S	M	T	W	T	F	S
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

FEBRUARY 2009						
S	M	T	W	T	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28

MARCH 2009						
S	M	T	W	T	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

FY 2009 Calendar of Biweekly Payroll, Demand Run, and Special Payments

▲ - Checks issued for biweekly payroll.

○ - Checks issued for demand runs/special payments.

★ - Checks issued for both biweekly payroll and demand runs/special payments.

FY 2009

APRIL 2009						
S	M	T	W	T	F	S
			1 ○	2	3 ★	4
5	6	7	8	9	10 ○	11
12	13 ○	14 ○	15	16	17 ★	18
19	20	21 ○	22 ○	23	24 ○	25
26	27 ○	28	29 ○	30		

MAY 2009						
S	M	T	W	T	F	S
					1 ★	2
3	4	5	6	7	8	9
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27	28 ○	29	30			

FY 2010 Calendar of Biweekly Payroll, Demand Run, and Special Payments

▲ - Checks issued for biweekly payroll.

○ - Checks issued for demand runs/special payments.

★ - Checks issued for both biweekly payroll and demand runs/special payments.

FY 2010

OCTOBER 2009						
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FY 2010

APRIL 2010						
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FY 2011

APRIL 2011						
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Active and Expired Pay Codes

Active Pay Codes					
Pay Code	Pay Code	Pay Code	Pay Code	Pay Code	Pay Code
1	Regular	29	Nurse Over 8 hours (Mon-Sat 12%)	60	Unauthorized Absence
2	Annual Leave	30	Dept of Corr Differential	61	Typhoon Leave
3	Sick Leave	31	Doc Sanchez Scholarship	65	Suspension
4	Holiday Pay	32	Transferred Annual Leave	66	Investigation
5	Night Differential	33	Transferred Sick Leave	77	Military LWOP
6	Overtime (1.5)	34	Maternity Leave	105	Night Differential - OT Rate
7	Non-Productive Fire	35	Paternity Leave	110	Hazard 4% - OT Rate
8	Work Fire	36	Nurse Sunday	111	Hazard 8% - OT Rate
9	Bereavement Leave	37	Nurse Work (Exempt Hours Over 40)	112	Hazard 10% - OT Rate
10	Hazard 4%	38	Nurse 0.5 Pay	113	Hazard 25% - OT Rate
11	Hazard 8%	39	Nurse 1.0 Pay	114	Hazard 50% - OT Rate
12	Hazard 10%	40	Nurse Holiday Work	115	Hazard 100% - OT Rate
13	Hazard 25%	41	Holiday Work	116	Overtime .50 Straight Time Paid
14	Hazard 50%	42	Holiday Work (Double Pay Over 8 Hr)	117	Outstanding Performance Rating – EMP
15	Hazard 100%	44	Holiday Work (For Part-Time Emp)	118	Maximum Performance Rating – EMP 3%
16	Prepaid Annual Leave	45	Jury Duty	119	Max. Perf. Rating - EMP (0) 5%
17	Lump Sum Annual Leave	46	Holiday Work Overtime	120	Special Achievement Award
18	Leave Without Pay	47	Nurse 22% (Hazard 10% + 12%)	121	Training/Seminar/Workshop
19	Carrier Regular	48	Nurses Pay	122	Training/Seminar/Workshop Instr.
20	Carrier Overtime	49	Nurse Certification Diff Pay	123	Transferred Annual Leave Military
21	Compensatory Time Off	51	15% Incentive Pay (EMT Only Fire)	124	TGI Thursday Program
22	Compensatory Time Accrued 1.5	53	Incapacitation For Job Inquiry	125	DPHSS Dirty Work
23	CTA One to One	54	AD - Meetings and Conferences	126	DPHSS Micro Organism Hazard
24	CTA (No Diff/Haz) 1.5	55	Administrative Leave	127	DPHSS Communicable/Infect/Disease
25	Compensatory Time Paid	56	AD - Officially Sanctioned Events	128	DPHSS Working in Unsafe Structures
26	Military Leave - Non-Nat'l Guard	57	AD - Parental Involvement	129	DPHSS Mentally Dist./Psycho/Subabuse
27	Military Leave - National Guard	58	AD - Formal Investigation		
28	Nurse Incentive 25%	59	Undetermined Status		

Active and Expired Pay Codes

Expired Pay Codes					
Pay Code	Pay Code	Pay Code	Pay Code	Pay Code	Pay Code
50	10% Incentive Pay (EMT Only Fire)	69	Salary Adjustment	75	Admin Work GFD .5
52	18% Incentive Pay (EMT Only Fire)	70	Nurses 44% Nat'l& Recruit/Retention	76	Admin Work GFD 1.0
62	Typhoon Premium	71	O.T. .5	80	Overtime 1.0 (Retro)
63	Typhoon Work Plus Premium	72	Typhoon Chataan Work/Prem.	99	Voluntary Separation
64	Typhoon Work	73	Adm Work		
67	Training	74	Admin Work GFD .5		



Eddie Baza Calvo
Governor
Ray Tenorio
Lieutenant Governor

Department of Administration
(DIPATTAMENTON ATEMENSTRASION)
DIRECTOR'S OFFICE
(UFISINAN DIREKTOT)
Post Office Box 884 Hagatha, Guam 96932
Tel: (671) 475-1101/1250 Fax: (671) 477-6788



Benita A. Manglona
Director
Anthony C. Blaz
Deputy Director

RECEIVED
OFFICE OF PUBLIC ACCOUNTABILITY

BY: Ram

To: Public Auditor, Office of Public Accountability-Guam DATE: 11/29/2012
From: Director, Department of Administration TIME: 10:28 AM AM PM
Subject: OPA Performance Audit of Government of Guam Payroll related Demand Runs and Special Payments

Hafa Ada! While we concur with most of the recommendations presented by your office, we feel that the question of inefficiency relative to demand runs and special payments in comparison to smaller contained autonomous agencies like GCC and GWA `unsettling.

DOA Payroll currently handles 37 line agencies. Among them, there are 5 agencies that have complex wage & hour calculations involving different types of pay such as overtime, hazard pay, night differential, nurses pay and nurses Sunday pay. In comparison, GCC & GWA has merely a basic "rate times hours" of pay calculation. As mentioned in your audit, the two autonomous agencies found it necessary to process special payments.

Comparing the frequency and complexity of these special payments from a smaller contained agency with DOA's payroll responsibilities is really comparing apples to oranges. The autonomous agencies payroll is less dynamic and routine in terms of processing and the various scenarios that lead to demand and special payment request fail to warrant comparison to DOA's payroll. For example, the numbers of public laws affecting the payroll of these agencies differ significantly to those affecting DOA.

Our primary customers are the government employees and providing justified compensation in a timely manner is our measure of efficiency. Inconsistencies identified during your audit are isolated cases at most and bear little significance to the amount of processed payments. While we agree that your recommendation of limiting demand payroll runs to once a week will allow payroll staff the flexibility to conduct proper payment authorization, documentation and other analysis related to payroll, its impact on the need of the individual employees may vary. Undue stress related to scheduled processing may influence the customer's work performance, moral or financial standing. We believe maintaining the current process better serves the immediate needs of our customers.

All demand payroll requests have been rescheduled to once a week Friday disbursements as we weigh the impact of this recommendation. Agencies have been inquiring with our personnel division as well as payroll with hopes of expediting these rescheduled requests.

DOA responds as follows to the recommendations of the Office of Public Accountability:

Recommendation no. 1

DOA will issue a circular informing all departments and agencies that Demand payroll request will be limited to once a week every Friday.

Recommendation no. 2

All individual transactions that exceed \$5k on a demand run will be subject for audit by the chief payroll officer or payroll supervisor before it is released to Treasurer of Guam.

Recommendation no. 3

Although direct deposit of demand runs, are ideal and efficient, current legislative mandates limiting the hierarchy of disbursements of cash management make it difficult to carry out this recommendation at this time.

Recommendation no. 4

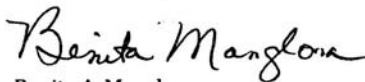
A task force comprising of the DOA Financial Manager, Acting Deputy Financial Manager, Chief Payroll Supervisor, and Payroll Supervisor will review all 98 pay codes that are currently active in the AS400. Pay codes that are found to be obsolete or unnecessary will be expired and will no longer be functional.

Recommendation no. 5

DOA Payroll Section currently maintains a centralized file system pertaining to documents related to demand runs and individual special payment requests are kept in the employee's jackets. All documents are available at the DOA Payroll Section.

Should you require clarification or additional information please call Ms. Kathrine Kakigi at 475-1169.

Senseramente,



Benita A. Manglona

Status of Audit Recommendations

Audit Recommendation	Status	Action Required
To the Director of Administration to direct the Chief Payroll Officer to:		
1 Develop and implement a written policy that limits the number of demand runs processed to once a week on non-payroll weeks or together with the biweekly payroll run; thus improving efficiency and allowing payroll staff the flexibility to conduct proper review of authorization, documentation, and other analyses related to payroll.	Open.	Please provide copy of circular informing all departments and agencies that Demand payroll request will be limited to once a week every Friday.
2 Establish audit thresholds to review all transactions that exceed \$5K. Any payments less than \$5K should be subjected to a random check.	Open.	Please provide target date and title of the official(s) responsible for implementing the recommendation.
3 Eliminate the manual printing of checks and implement direct deposits of demand runs and special payments.	Open.	Please provide target date and title of the official(s) responsible for implementing the recommendation.
4 Create a task force to simplify, consolidate, and review the necessity of the 98 pay codes in the AS400.	Open.	Please provide target date and title of the official(s) responsible for implementing the recommendation.
5 Develop a centralized filing system to ensure that all supporting documents pertaining to demand runs and special payments are maintained within the Payroll Section.	Closed.	No further action required.

