

**Submission of FY 2008 3<sup>rd</sup> Quarter Financial Reports  
Pursuant to Public Law 29-19**

**Legislative Mandate  
April 1, 2008 through June 30, 2008**

**OPA Report No. 08-07  
October 2008**



OFFICE OF THE PUBLIC AUDITOR

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OFFICE OF THE PUBLIC AUDITOR

**EXECUTIVE SUMMARY**

Submission of FY 2008 3rd quarter Financial Reports  
Report No. 08-07, October 2008

The Office of the Public Auditor (OPA) is required to review submissions of quarterly financial reports, staffing patterns and special reports by government of Guam entities as mandated by Public Law (P.L.) 29-19, the fiscal year (FY) 2008 Budget Act. For the 3rd quarter, April 1, 2008 through June 30, 2008, 49 out of 59 entities, or 83%, complied with the reporting requirements. Ten entities, or 17%, did not fully comply. This includes the Tax Review Commission (TRC), which was added to our 3rd quarter review.

The OPA issued notifications to all government entities of their reporting requirements prior to the quarter end. However, entity directors and managers are responsible for reviewing P.L. 29-19 and complying with the reporting requirements. The penalty for noncompliance is a 20% salary reduction to agency Directors, Deputy Directors, and Chief Financial Officers. The penalty has not been applied as of September 2008 yet OPA reported noncompliance in prior reports. The penalty is not applicable to TRC.

We reported in the 2nd quarter, that 49 entities complied with the reporting requirements; however, BSP, GVB, GMHA, and the Office of the Governor subsequently provided evidence of compliance with certain reporting requirements. As a result, 51 of 58 entities, or 88%, were compliant for the 2nd quarter. In the 1st quarter, DPW and GEPA did not submit the Landfill Financing Plan and Landfill Expenditures Report. DPW subsequently referenced a District Court ruling which deemed PL 29-19 section 98 unconstitutional and void; therefore, the reporting requirements are moot.

**Financial Reports** (due 30 days after the quarter end for 58 entities<sup>1</sup>):

All 58 entities, or 100%, submitted a written financial report and posted the reports on the websites. However, DMHSA and DPW did not submit electronic reports.

**Staffing Patterns** (due 30 days after the quarter end for 55 entities<sup>2</sup>):

All 55 entities, or 100%, submitted a written staffing pattern and posted on the websites. DMHSA and DPW did not submit electronically.

**Non-Appropriated Funds (NAF) Reports** (due 30 days after the quarter end for 17 entities):

Of the 17 entities with NAF accounts, 13 entities complied with the reporting requirements for the 3rd quarter. DPW did not submit electronically and post on their website. VAO submitted its written NAF report late, did not submit electronically and post on the website. DMHSA and GEC did not submit NAF reports in any format.

**Non-Profit Organization (NPO) Reports** (due 30 days after the quarter end for 4 entities):

Three of the four overseeing entities required to report NPO activities complied with the reporting requirements. DMHSA did not submit an NPO report for the \$600,000 appropriated for outsourcing drug and alcohol detoxification, rehabilitation, and prevention services.

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<sup>1</sup> TRC is not required to submit quarterly financial reports.

<sup>2</sup> The staff of the GBOA, GPT, PUC, and TRC are not government employees.

**Special Reports** (41 special reports due at various dates for 21 entities):

Of the 41 special reports required in FY 2008, only 31 special reports were due from 18 entities in the 3rd quarter. This includes four reports with no due dates that were not submitted in previous quarters. Of the remaining 10 reports, eight were due or submitted in the previous quarters and do not apply to the 3rd quarter and two reports are due in the 4th quarter.

Of the 18 entities, 9 complied with the reporting requirements. Seven entities (DMHSA, DPW, GMRO, GMHA, GPSS, GOV, and TRC) did not submit a report in three required reporting formats. Of the remaining two entities, (1) the OAG notified OPA in the 1st quarter that they did not receive bond proceeds appropriations; therefore we considered this reporting requirement not applicable; and (2) COMRIGHT 21's report does not have a due date and may be submitted in the 4th quarter. The BBMR Director disagrees with the Minority legal counsel's interpretation of the applicability of the reporting requirements in Chapter VII Section 2 to all reports mandated in the Budget Act. Therefore we were unable to determine whether the Office of the Governor complied with the reporting requirements for two special reports and whether the penalty would apply.

**Autonomous Agency Monthly Revenue and Expenditures Reports** (no due date):

In addition to the quarterly financial reporting requirement, 15 autonomous and semi-autonomous entities are required to submit monthly revenue and expenditure reports. No due date was specified. Fourteen entities complied with this reporting requirement. GIAA submitted 1st, 2nd, and 3rd quarter reports timely in all reporting formats, but has not submitted intervening monthly reports; therefore, GIAA continues to be non-compliant.

**Conclusion and Recommendations**

OPA's reviews have found that entities are substantially complying with quarterly financial and staffing pattern reporting requirements. Special reports continue to be a problem since the 2008 Budget Act increased the number of special reports to 41 from 31 in FY 2007. The recurring problems for special reports appear to be whether to report in all three formats, whether to report to OPA, and determining when the reports are due. According to the Minority legal counsel, the reporting requirements of Chapter VII Section 2 to submit written and electronic reports and post on the websites apply to all reports in the Budget Act. If the OPA inadvertently overlooked report submissions, entities should provide evidence of submissions for correction in subsequent reports.

In the recent meeting of the Special Economic Service Committee,<sup>3</sup> the OPA expressed the need to save resources and promote an efficient reporting process. We suggest the Legislature (1) require website postings only that can be reproduced manually and electronically to save the government's limited resources, (2) task BBMR, DOA, and/or OFB to report compliance of report submissions in the upcoming fiscal year and (3) assign a uniform reporting deadline of 30 days after the reporting period for all reports. These changes would help minimize confusion among government entities.

While we applaud the Legislature for continuing to advocate regular financial reporting in the use of public funds, financial reporting is not just the act of reporting, but also the analysis of these reports.



Doris Flores Brooks, CPA, CGFM  
Public Auditor

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<sup>3</sup> 2 G.C.A. §13108



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# Introduction

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This report presents our compliance review of the submission of quarterly financial reports, staffing patterns, and all other special reports for the 3rd quarter of Fiscal Year (FY) 2008 for the period of April 1, 2008 through June 30, 2008, pursuant to Public Law (P.L.) 29-19, referred to as the *Budget Act of 2008*.

Our objective was to determine whether each government entity<sup>1</sup> complied with the reporting requirements as identified in P.L. 29-19.

## Background

Since FY 2006, legislation was passed requiring government entities to submit various financial reports. The magnitude of reporting requirements continues to increase with each Budget Act. Reports required in FY 2008 include quarterly financial reports, staffing patterns, non-appropriated funds (NAF) reports, non-profit organization (NPO) reports, special reports<sup>2</sup>, and autonomous agency revenue and expenditure reports.

P.L. 29-19 maintained the 20% salary reduction for Directors, Deputy Directors, and Chief Financial Officers (CFO) as the penalty for non-compliance with any of the reporting requirements. However, no salary reductions have been made for the non-compliant entities for either the 3rd and 4th quarters of FY 2007 or the 1st and 2nd quarters of FY 2008 as of the date of this report.

## Changes in the Law

P.L. 29-19 added several other reporting requirements from the previous year. In addition to the quarterly financial reporting requirements, Chapter VI, Section 5 of P.L. 29-19 requires every autonomous and semi-autonomous agency or public corporation to report all revenues and expenditures for all funds on a monthly basis and post it on their websites. However, there was no due date as to when the monthly reports are to be submitted.

The 2008 Budget Act also increased the number of special reports from 31 in FY 2007 to 41 in FY 2008.

Reporting requirements for quarterly financial, NAF, and NPO activities remained the same in FY 2008, but unlike the 2007 Budget Acts<sup>3</sup> P.L. 29-19 did not require prior year obligation

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<sup>1</sup> To include line agencies, autonomous and semi-autonomous agencies, public corporations, the President of the Mayors Council of Guam, and the Judiciary of Guam.

<sup>2</sup> Special reports are required to be submitted by specific entities for certain programs and funds. The due dates for the reports vary.

<sup>3</sup> P.L. 28-149, Educational Appropriations Act of 2007; P.L. 28-150, General Appropriations Act of 2007; and P.L. 29-02, Amended General Appropriations Act of 2007.

(PYO) reports. The PYO reporting requirement was not clear on the reporting due date causing confusion among reporting entities in FY 2007.

The law also changed the staffing pattern due date from one day to 30 days after the quarter end as suggested by previous OPA reports. As a result, financial reports, including NAF reports, staffing patterns, and NPO activities reports have a uniform due date of 30 days after the end of each quarter. However, there are special reports that still have varied due dates. There are also five special reports and monthly autonomous agency revenue and expenditure reports required by P.L. 29-19 that do not have due dates.

### **Reporting Clarifications**

Chapter VII Section 2 of P.L. 29-19 states that “This and every reporting requirement imposed by this Chapter *shall* be subject to the following if any *or* all of the following requirements are not met:

- (1) providing a written report;
- (2) providing an electronic format of the report; and
- (3) posting the report on the website.”

All reports mandated by P.L. 29-19 are required in the three reporting formats and non-compliance may result in the 20% salary reduction penalty. However, entities do not clearly understand Chapter VII Section 2’s application to all other reports mandated by P.L. 29-19. The Minority legal counsel<sup>4</sup> clarified that the term “chapter” in this sense is nearly identical to the term “Act” as to what the reporting requirements are. The Minority legal counsel stated that OPA is required to monitor compliance with all the reporting requirements not just those limited to Chapter VII.

Entities have also commonly asked why reports have to be sent to OPA. Since OPA is required to report on compliance, we must be able to see proof of submission and request that copies of written and electronic reports be sent to OPA. See Appendix 6 for frequently asked questions (FAQs) pertaining to the reporting requirements of P.L. 29-19.

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<sup>4</sup> The Office of Finance and Budget clarified this question with the Minority legal counsel.

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# Results of Compliance

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For the 3rd quarter of FY 2008, the period April 1st through June 30th, 49 of 59 entities, or 83%, complied and submitted their required reports in all three reporting formats: written, electronic, and posted the reports on their websites. Compared to the 2nd quarter, an additional entity, the Tax Review Commission (TRC), was included in our 3rd quarter review.<sup>5</sup> This commission, however, was non-compliant with their special reporting requirement that was due on May 31, 2008. As the TRC is an ad hoc committee whose membership comes from various government entities and the private sector, this is not a government entity that receives an appropriation; therefore, we have concluded that the penalty is not applicable to TRC.

While OPA notified all entities of their requirements prior to the end of the quarter, as required,<sup>6</sup> entity directors and managers are ultimately responsible for complying with P.L. 29-19.

The 49 compliant entities are:

1	Board of Professional Engineer, Architects and Land Surveyors (PEALS)	26	Guam Educational Telecommunication Corporation (KGTF)
2	Bureau of Budget and Management Research (BBMR)	27	Guam Energy Office (GEO)
3	Bureau of Statistics and Plans (BSP)	28	Guam Environmental Protection Agency (GEPA)
4	Chamorro Land Trust Commission (CLTC)	29	Guam Fire Department (GFD)
5	Civil Service Commission (CSC)	30	Guam Housing and Urban Renewal Authority (GHURA)
6	Commission on Decolonization (COD)	31	Guam Housing Corporation (GHC)
7	Customs and Quarantine Agency (CQA)	32	Guam Police Department (GPD)
8	Department of Administration (DOA)	33	Guam Power Authority (GPA)
9	Department of Agriculture (AGR)	34	Guam Preservation Trust (GPT)
10	Department of Chamorro Affairs (DCA)	35	Guam Public Library System (GPLS)
11	Department of Corrections (DOC)	36	Guam State Clearinghouse (GSC)
12	Department of Integrated Services for Individuals with Disabilities (DISID)	37	Guam Visitors Bureau (GVB)
13	Department of Labor (DOL)	38	Guam Waterworks Authority (GWA)
14	Department of Land Management (DLM)	39	Hagatna Restoration & Redevelopment Authority (HRRA)
15	Department of Military Affairs (DMA)	40	Judiciary of Guam (JOG)
16	Department of Parks and Recreation (DPR)	41	Mayors Council of Guam (MCOG)
17	Department of Public Health and Social Services (DPHSS)	42	Office of the Attorney General (OAG)
18	Department of Revenue and Taxation (DRT)	43	Office of the Chief Medical Examiner (CME)
19	Department of Youth Affairs (DYA)	44	Office of the Public Auditor (OPA)
20	Government of Guam Retirement Fund (GGRF)	45	Port Authority of Guam (PAG)

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<sup>5</sup> The Tax Review Commission shall review and make recommendations regarding the future of the Qualifying Certificate Program and report thereon to I Liheslaturan by May 31, 2008. Said moratorium shall expire sixty days after the submission of said report or on July 31, 2008, whichever comes first.

<sup>6</sup> P.L. 29-19, Chapter VII Section 2(b).



21	Guam Ancestral Lands Commission (GALC)	46	Public Defender Service Corporation (PDSC)
22	Guam Community College (GCC)	47	Guam Board of Accountancy (GBOA)
23	Guam Contractors License Board (GCLB)	48	Public Utilities Commission (PUC)
24	Guam Council on the Arts and Humanities Agency (CAHA)	49	University of Guam (UOG)
25	Guam Economic Development and Commerce Authority (GEDCA)		

Of the 59 entities, 10 did not comply with all their reporting requirements and/or did not submit reports as follows:

1. Department of Mental Health and Substance Abuse (DMHSA) has shown some improvement from FY 2007. In the 4th quarter of FY 2007, DMHSA minimally met the reporting requirements.<sup>7</sup> In the 3rd quarter of FY 2008, DMHSA substantially complied with the general reporting requirements but continues to fall short of full compliance for NAF, NPO, and special reports.
2. Department of Public Works (DPW) did not submit their quarterly financial report, staffing pattern, NAF report, and special report electronically and did not post the NAF report on their website.
3. Guam Election Commission (GEC) did not submit the NAF report in all three reporting formats.
4. Guam International Airport Authority (GIAA) did not submit any monthly revenue and expenditure reports in all three reporting formats. Although GIAA has submitted 1st, 2nd, and 3rd quarter reports timely, and in all three reporting formats, they have not submitted intervening monthly reports; therefore, GIAA continues to be non-compliant with the autonomous monthly reporting requirement.
5. Guam Medical Referral Office (GMRO) did not post its special report on their website.
6. Guam Memorial Hospital Authority (GMHA) submitted its written special report late and did not submit the report electronically.
7. Guam Public School System (GPSS) submitted a special report late.
8. Office of the Governor did not submit transfer reports for April, May, and June. The BBMR Director stated in an email to OPA that no transfers were made. However, a “nil” report should have been submitted.
9. Tax Review Commission (TRC) did not submit a special report in any of the three reporting formats.
10. Veterans Affairs Office (VAO) submitted its NAF report late but did not submit an electronic report or post on the website.

### **Follow Up of 2<sup>nd</sup> Quarter Reporting**

In our compliance report for the FY 2008 2nd quarter,<sup>8</sup> we reported that 49 entities complied with the 2nd quarter reporting requirements. After subsequent submissions and further review, there are now 51 of 58 entities, or 88%, that were compliant for the 2nd quarter.

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<sup>7</sup> In FY 2007, DMHSA did not submit manual and electronic financial reports, did not submit a PYO report, NAF report, NPO report, and special reports in any reporting format.

<sup>8</sup> OPA Report No. 08-05 Submission of FY 2008 2nd Quarter Financial Reports Pursuant to Public Law 29-19 (for the period January 1 through March 31, 2008).

- The Bureau of Statistics and Plans (BSP) provided evidence of website posting problems.
- The Guam Visitors Bureau (GVB) provided monthly written financial reports.
- We inadvertently overlooked GMHA's electronic monthly revenue and expenditure report submission, however, GMHA submitted its 2nd quarter bond proceeds report after the May 31, 2008 due date.
- The Office of the Governor submitted evidence of written semiannual reports for the Impact of Federal Expenditures and Impact of Tourism Expenditures and the Long-Range Revenues and Expenditures Forecasts. However, evidence of electronic reports were not submitted and the reports were not posted on the website.

### **Interpretation by Governor's Office**

The Office of the Governor did not submit two special reports, the Impact of Federal Expenditures and the Impact of Tourism Expenditures, electronically and post on the website.

As previously stated, the Minority legal counsel clarified that OPA is required to monitor compliance with all the reporting requirements for all reports in P.L. 29-19 not just those limited to Chapter VII. On behalf of the Office of the Governor, the BBMR Director disagrees with the Minority legal counsel and seeks a separate legal opinion; therefore, because of this difference we are unable to determine whether the Office of the Governor complied and whether the penalty would apply.

### **Summary of Reporting Requirements**

P.L. 29-19 requires the following reports:

- 1) Quarterly Financial Reports (due 30 days after the quarter end for 58 entities. TRC is not required to submit quarterly reports);
- 2) Staffing Patterns (due 30 days after the quarter end for 55 entities);
- 3) Non-Appropriated Funds Reports (due 30 days after the quarter end for 17 entities);
- 4) Non-Profit Organization Activities Reports (due 30 days after the quarter end for four entities);
- 5) Special Reports (due at various reporting deadlines for 21 entities); and
- 6) Autonomous and Semi-Autonomous Entities Monthly Revenue and Expenditures Reports (no due date specified).

### **Quarterly Financial Reports**

Chapter VII, Section 2 (a) of P.L. 29-19 requires government of Guam entities to submit a quarterly financial report of all funds under their purview, regardless of source or whether the fund is appropriated, non-appropriated, local or federal. To comply, each entity must submit a written and electronic report and post it on the entity's website, no later than 30 days after the quarter ends or by July 31, 2008. These are the same requirements from FY 2007.

For the 3rd quarter, all 58 entities, or 100% submitted a written financial report, consistent with the 1st and 2nd quarters, and posted the reports on the websites. DMHSA and DPW did not submit their financial reports electronically. The Directors, Deputy Directors, and CFO's of DMHSA and DPW may be subject to the 20% salary reduction penalty.

See Appendix 1 for a summary of quarterly financial report submission. See Appendix 7 for quarterly financial reporting requirements Frequently Asked Questions (FAQs).

### **Quarterly Staffing Pattern Reports**

Chapter VI, Section 3 of P.L. 29-19 requires government of Guam entities to submit staffing patterns listing employee names, position titles, salaries, increment costs, benefit costs, and funding source. To comply, each entity must submit a written and electronic report and post it on the entity's website by July 31, 2008.

For the 3rd quarter, 55 out of 59 entities are required to submit staffing patterns. According to the OFB, three entities (GBOA, GPT, and PUC) are not required to submit staffing patterns because their employees are not government of Guam employees. TRC is a committee of various government entities and the private sector and is not required to submit staffing patterns.

Of the 55 entities:

- 53 entities or 96% complied with all staffing pattern reporting requirements.
- All 55 entities submitted written staffing patterns.
- DMHSA and DPW did not provide an electronic staffing pattern.

The Directors, Deputy Directors, and CFO's of DMHSA and DPW may be subject to the 20% salary reduction penalty. See Appendix 2 for a summary of quarterly staffing pattern reports submission. See Appendix 8 for quarterly staffing pattern FAQs.

To provide a quick status of personnel levels at each entity, OPA suggests, for FY 2009, requiring summaries of personnel changes, such as additions and deletions in addition to the staffing patterns.

### **Non-Appropriated Funds (NAF) Reports**

Seventeen government of Guam entities are required to report on NAF generated from, but not limited to fees for services, private donations or fundraising under their purview. These funds are controlled and managed by the entities without legislative oversight. Of the 17 entities:

- 13 or 76% complied by meeting all three reporting requirements.
- The four entities that did not comply were DMHSA, DPW, GEC, and VAO:
  - Two of these entities (DMHSA and GEC) continue to be noncompliant as they did not submit NAF reports in any reporting format.
  - DPW did not submit an electronic NAF report and post the report on their website.
  - VAO submitted its written NAF report late, did not submit electronically and post on the website.

GEC and DMHSA submitted bank statements for their NAF reporting requirement; however, these are not in the form of financial statements or revenue and expenditures reports as required by Chapter VII, Section 2. The June 30, 2008 bank statement for GEC's NAF indicated a balance of \$11,557. In the 2nd Quarter, OPA reported concerns with the lack of financial reporting of the GEC's NAF, especially federal funds. All federal funds should be under the auspices of DOA to ensure consistent reporting to the federal government. We recommend that the GEC Executive Director transfer the GEC's NAF immediately to the Treasurer of Guam. To date, this recommendation has not been implemented.

The Directors, Deputy Directors, and CFO's of DMHSA, DPW, GEC, and VAO may be subject to the 20% salary reduction penalty.

See Appendix 9 for NAF reporting requirements FAQs.

### **Non-Profit Organization (NPO) Activities Reports**

Chapter VII, Section 6 of P.L. 29-19 requires non-profit organizations that receive funds to provide quarterly reports to their overseeing agencies. P.L. 29-19 appropriated \$1,337,806 to three NPOs to operate various programs.

1. Department of Agriculture	\$ 50,000	Guam Animals In Need, Inc.
2. Department of Mental Health & Substance Abuse	153,144	Private Contractor (not specified)
	600,000	Outsourcing (not specified)
3. Department of Youth Affairs	394,662	Sanctuary, Inc.
4. Judiciary of Guam	140,000	Erica's House
	<u>\$1,337,806</u>	

The penalty for non-compliance with this requirement is a 3% reduction in the NPO's appropriations.

Three of the four overseeing entities required to report their NPO activities complied with the reporting requirements. The three entities are AGR, DYA, and JOG. DMHSA did not submit an NPO report in any reporting format for the \$600,000 that was appropriated for outsourcing drug and alcohol detoxification, rehabilitation, and prevention services.

The DMHSA Director, Deputy Director, and CFO may be subject to the 20% salary reduction penalty, and the non-profit organization for which the \$600,000 in services was outsourced to may be subject to a 3% reduction in appropriations.

Since FY 2007, DMHSA has not submitted this NPO report for its \$600,000 appropriation in any reporting format and has not been penalized for non-compliance. However, in the 3rd quarter, DMHSA met the NPO reporting requirements for the \$153,144 appropriated for the Youth Drug and Alcohol Program.

See Appendix 10 for NPO reporting requirements FAQs.

## Special Reports

P.L. 29-19 required 21 entities to submit 41 special reports in FY 2008 on various due dates. For the 3rd quarter, 31 special reports were required. See Appendix 3 for the descriptions and due dates of these special reports.

Of the 41 special reports required in FY 2008:

- 31 special reports were to be submitted by 18 entities in the 3rd quarter.
  - 27 reports were required by various due dates in the 3rd quarter.
  - Four reports had no specific due dates, but had not been submitted in the 1st or 2nd quarter.
- Two special reports are not due until the 4th quarter.
- Eight special reports were due or submitted in the previous quarters and do not apply to the 3rd quarter. Of the eight reports, the reporting requirements for three reports, Landfill Financing Plan (DPW) and Landfill Expenditures Reports (DPW and GEPA) required in the 1st quarter are moot. DPW referenced District Court ruling on P.L. 29-19 section 98 which was deemed unconstitutional and void.

Of the 18 entities, 9 complied with the reporting requirements:

- |          |         |
|----------|---------|
| 1. BBMR  | 6. DRT  |
| 2. DOA   | 7. GCC  |
| 3. DISID | 8. GGRF |
| 4. DPHSS | 9. UOG  |
| 5. MCOG  |         |

Seven entities did not submit all their required reports in the three required reporting formats:

- |    |       |  |   |
|----|-------|--|---|
| 1. | DMHSA | Youth Drug and Alcohol Program<br>(April, May, June) | Written report submitted late. Electronic report not submitted to Speaker.      |
|    |       | Use of Bond Proceeds Report                          | Written and electronic reports not submitted to Speaker. Not posted on website. |
| 2. | DPW   | Streetlight Fund                                     | Electronic format not submitted.  |
| 3. | GMRO  | Program Report                                       | Not posted on website.  |
| 4. | GMHA  | Use of Bond Proceeds Report                          | Written report submitted late. Electronic report not submitted.                 |
| 5. | GPSS  | Textbook and Collateral Material                     | Written and electronic submitted late.  |
| 6. | GOV   | Monthly Transfer Funds Reports<br>(April, May, June) | Written and electronic not submitted. Not posted on website.                    |
| 7. | TRC   | Future of Qualifying Certificate<br>Program Report   | Written and electronic not submitted. Not posted on website.                    |

The BBMR Director informed the OPA that the Office of the Governor did not submit the Monthly Transfer Reports because no transfers were made in April, May, or June. However, a “nil” report should have been transmitted to the Speaker similar to GMHA’s nil report for bond proceeds. Initially, GMHA did not report bond proceeds because it received bond appropriations

but did not receive bond allotments. Subsequently, GMHA submitted a written nil report that was posted on its website.

The Directors, Deputy Directors, and CFO's of DMHSA, DPW, GMRO, GMHA, GPSS, and GOV may be subject to the 20% salary reduction penalty. As stated previously, we have determined the penalty does not apply to TRC.

Two remaining entities (OAG and COMRIGHT 21) were not categorized above.

1. OAG notified OPA in the 1st quarter that they did not receive appropriations from bond proceeds; therefore we considered this reporting requirement not applicable.
2. COMRIGHT 21's reporting requirement regarding a recommendations report is not required by a specific due date; therefore, they may submit this report in the 4th quarter.

### **New Reporting Requirements**

The number of special reports increased by 10, from 31 in FY 2007 to 41 in FY 2008. New special reports include:

- Monthly Travel Reports (DOA)
- Public Transportation Assessment Report (DOA)
- Use of Bond Proceeds Report (DISID, DMHSA, DRT, GMHA, GPSS, OAG, and UOG)
- Landfill Financing Plan (DPW)
- Landfill Expenditures Report (DPW and GEPA)
- Monthly Adequate Public Education Report (GPSS)
- Federal Programs Cost Analysis (GSC)
- Fiscal Realignment Plan (GOV)
- Scholarships, Financial Assistance, and Other Reports (UOG)
- Future of Qualifying Certificates Program Report (TRC)

In January 2008, the District Court of Guam ruled that P.L. 29-19 section 98 which was deemed unconstitutional and void. Therefore, the reporting requirements for the Landfill Financing Plan and Landfill Expenditures Report are moot.

### **Use of Bond Proceeds Report**

Chapter VII, Section 14 of P.L. 29-19 mandates a new reporting requirement for entities receiving bond proceeds pursuant to §22435 (k) Chapter 22 of Title 5 of the Guam Code Annotated. An expenditure report is required 30 days after each quarter. Of the seven entities required to submit the Use of Bond Proceeds reports, four entities complied (DISID, DRT, GPSS, and UOG). As mentioned previously, the OAG notified the OPA in the 1st quarter that they did not receive funds for bond proceeds. Therefore we considered this reporting requirement non-applicable. DMHSA did not submit written and electronic reports did not post on its website and GMHA submitted its written report late and did not submit an electronic report.

The Directors, Deputy Directors, and CFO's of DMHSA and GMHA may be subject to the 20% salary reduction penalty.

See Appendix 4 for a summary of FY 2008 special report submissions. See Appendix 11 for special reporting requirements FAQs.

## **Autonomous and Semi-Autonomous Agencies Monthly Reports**

Chapter VI, Section 5 of P.L. 29-19 required all autonomous and semi-autonomous agencies of the government of Guam to submit monthly revenue and expenditure reports and post them on their website. This new monthly reporting requirement is in addition to the quarterly financial reporting requirement. P.L. 29-19 did not designate a specific due date for autonomous and semi-autonomous monthly revenue and expenditure reports. Monthly reports submitted for the 3rd quarter as of the date of this report were deemed compliant.

All, but one of the 15 entities submitted written & electronic reports by the due dates and posted the reports on their websites for all three months (April, May, and June) of the FY 2008 3rd quarter. GIAA did not submit any monthly revenue and expenditure reports. GIAA has submitted 1st, 2nd, and 3rd quarter reports timely, and in all three reporting formats, but has not submitted intervening monthly reports; therefore, GIAA continues to be non-compliant.

GIAA submitted a letter to OPA commenting on the redundancy of the monthly and quarterly reporting and felt they “complied with the spirit of the law and have fully satisfied both mandates by submitting our quarterly financial reports on time.”

P.L. 29-19 did not designate a specific due date for autonomous and semi-autonomous monthly revenue and expenditure reports, as such any 3rd quarter report submitted as of the date of this report was deemed to be compliant with the law. The Director, Deputy Director, and CFO of GIAA may be subject to the 20% salary reduction penalty.

See Appendix 5 for a summary of autonomous and semi-autonomous agency report submissions. See Appendix 12 for autonomous agency reporting requirements FAQs.

## **Unenforced 20% Salary Reduction Penalty**

Chapter VII, Section 2 (b) of P.L. 29-19 states that the gross salaries of the entities’ Directors, Deputy Directors, and CFO’s will be reduced by 20% per pay period for the remainder of FY 2008 for failing to comply with any of the mandated reporting requirements. This penalty has been in effect since the 3rd quarter of FY 2007.

This penalty has yet to transpire to a single salary reduction to agency Directors, Deputy Directors, and CFO’s for non-compliance although OPA has reported various entities that were not compliant in prior periods since the 3rd quarter of FY 2007.

## **Guam Legislature Reporting**

In the 3rd quarter of FY 2008, the Guam Legislature submitted quarterly financial and staffing pattern reports. OPA is unclear as to whether the reporting requirements and penalty for noncompliance are applicable to the Guam Legislature. OPA did not include them with the other 59 entities required to submit reports. We have not received a response from OFB to inquiries as to whether the Guam Legislature should be included.

If we were to have commented on the Guam Legislature’s reporting, they would have been non-compliant because they did not submit an electronic copy of their financial reports and staffing patterns.

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# Summary and Conclusion

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For the third consecutive year, government entities are mandated to submit various financial reports. In the 3rd quarter of FY 2008, of the 59 entities required to submit financial reports, staffing patterns, NAF reports, NPO reports, special reports, and autonomous agency revenue and expenditure reports, 49 entities, or 83% complied and submitted reports in all three reporting formats (written, electronic, and posting on the website). Ten entities, or 17%, did not comply and did not submit reports in all three reporting formats.

Changes in FY 2008 include an increase in the number of special reports by 10 to 41 from 31 reports required in FY 2007. Autonomous agencies are now required to submit revenue and expenditure reports monthly in addition to quarterly financial reports.

Although OPA's reviews have found that full compliance has yet to be achieved, in FY 2008, entities are now substantially complying by consistently submitting written quarterly financial and staffing pattern reports, NAF, NPO, and Monthly Autonomous Agency reports.

Special reports continue to be a problem since the 2008 Budget Act increased the number of special reports from 31 in FY 2007 to 41 in FY 2008. The recurring problems for special reports appear to be whether to report in all three formats, whether to report to OPA, and determining when the reports are due. According to the Minority legal counsel, the reporting requirements of Chapter VII Section 2 to submit written and electronic reports and post on the websites apply to all reports in the Budget Act.

The OPA issued notifications to all government entities of their reporting requirements prior to the quarter end. If the OPA inadvertently overlooked report submissions, entities should provide evidence of submissions for correction in subsequent OPA reports. However, each entity each director and manager is responsible for reviewing P.L. 29-19 and complying with their reporting requirements.

Noncompliant agency Directors, Deputy Directors, and CFOs have not had their salaries reduced since May 2007 when P.L. 29-02 established the penalty.

## **Recommendations**

As reporting requirements increase, the OPA continues to devote time and its limited resources to report compliance with the law. Government entities are also required to allocate resources to print and deliver to the Legislature and OPA.

In the recent meeting of the Special Economic Service<sup>9</sup> committee, the OPA expressed the need to save resources and promote an efficient reporting process. We recommend the Legislature:

1. Reduce the reporting formats to just website postings and eliminate the requirement to submit written and electronic reports. Reports on websites can be reproduced at the user's option and offer the most efficient way to deliver reports. This method of reporting will

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<sup>9</sup> 2 G.C.A. §13108



minimize the time required to review compliance with reporting requirements. Ultimately, it will save the government's limited resources such as materials, labor, and fuel costs to produce and deliver printed and electronic reports.

2. Task BBMR, DOA, and/or OFB to report compliance of report submissions for the next FY.
3. Assign uniform reporting deadline of 30 days after the reporting period for the required reports. The Budget Act for each year has increased the reporting requirements and government entities have gradually struggled to comply with all the various reporting requirements and formats. Reporting has also become inconsistent because of the lack of uniformity in reporting due dates. These changes would help minimize confusion among the government of Guam reporting entities.

While we applaud the Legislature for continuing to advocate regular financial reporting in the use of public funds, to be more meaningful, an analysis of these reports should also be performed to determine whether current year revenues are sufficient to pay for current year services or whether future taxpayers will be required to assume burdens for services previously provided.

For the two fiscal years and three quarters we have been reviewing compliance with reporting requirements, we are of the opinion that the essence of quarterly financial reporting submissions is being fulfilled. The area that continues to pose problems is compliance with special reporting requirements mainly because of non-uniform submission deadlines and reporting in all formats.

OFFICE OF THE PUBLIC AUDITOR



Doris Flores Brooks, CPA, CGFM  
Public Auditor

**Appendix 1:**  
**Quarterly Financial Reports: 3rd Quarter FY 2008**

	Entity Name	Written	Electronic	Web Posting	Overall Compliance
1	Board of Professional Engineers, Architects and Land Surveyors	✓	✓	✓	✓
2	Bureau of Budget and Management Research	✓	✓	✓	✓
3	Bureau of Statistics and Plans	✓	✓	✓	✓
4	Chamorro Land Trust Commission	✓	✓	✓	✓
5	Civil Service Commission	✓	✓	✓	✓
6	Commission on Decolonization (or Commission on Self Determination)	✓	✓	✓	✓
7	Customs and Quarantine Agency	✓	✓	✓	✓
8	Department of Administration	✓	✓	✓	✓
9	Department of Agriculture	✓	✓	✓	✓
10	Department of Chamorro Affairs	✓	✓	✓	✓
11	Department of Corrections	✓	✓	✓	✓
12	Department of Integrated Services for Individuals with Disabilities	✓	✓	✓	✓
13	Department of Labor	✓	✓	✓	✓
14	Department of Land Management	✓	✓	✓	✓
15	Department of Mental Health and Substance Abuse	✓	✗	✓	✗
16	Department of Military Affairs	✓	✓	✓	✓
17	Department of Parks and Recreation	✓	✓	✓	✓
18	Department of Public Health and Social Services	✓	✓	✓	✓
19	Department of Public Works	✓	✗	✓	✗
20	Department of Revenue and Taxation	✓	✓	✓	✓
21	Department of Youth Affairs	✓	✓	✓	✓
22	Government of Guam Retirement Fund	✓	✓	✓	✓
23	Guam Ancestral Lands Commission	✓	✓	✓	✓
24	Guam Board of Accountancy	✓	✓	✓	✓
25	Guam Community College	✓	✓	✓	✓
26	Guam Contractors License Board	✓	✓	✓	✓
27	Guam Council on the Arts and Humanities Agency	✓	✓	✓	✓
28	Guam Economic Development and Commerce Authority	✓	✓	✓	✓
29	Guam Educational Telecommunication Corporation (KGTF)	✓	✓	✓	✓
30	Guam Election Commission	✓	✓	✓	✓
31	Guam Energy Office	✓	✓	✓	✓
32	Guam Environmental Protection Agency	✓	✓	✓	✓
33	Guam Fire Department	✓	✓	✓	✓
34	Guam Housing and Urban Renewal Authority	✓	✓	✓	✓
35	Guam Housing Corporation	✓	✓	✓	✓

**Appendix 1:**  
**Quarterly Financial Reports: 3rd Quarter FY 2008**

	Entity Name	Written	Electronic	Web Posting	Overall Compliance
36	Guam International Airport Authority	✓	✓	✓	✓
37	Guam Medical Referral Office	✓	✓	✓	✓
38	Guam Memorial Hospital Authority	✓	✓	✓	✓
39	Guam Police Department	✓	✓	✓	✓
40	Guam Power Authority	✓	✓	✓	✓
41	Guam Preservation Trust	✓	✓	✓	✓
42	Guam Public Library System	✓	✓	✓	✓
43	Guam Public School System	✓	✓	✓	✓
44	Guam State Clearinghouse	✓	✓	✓	✓
45	Guam Visitors Bureau	✓	✓	✓	✓
46	Guam Waterworks Authority	✓	✓	✓	✓
47	Hagatna Restoration & Redevelopment Authority	✓	✓	✓	✓
48	Judiciary of Guam	✓	✓	✓	✓
49	Mayors Council of Guam	✓	✓	✓	✓
50	Office of the Attorney General	✓	✓	✓	✓
51	Office of the Chief Medical Examiner	✓	✓	✓	✓
52	Office of the Governor	✓	✓	✓	✓
53	Office of the Public Auditor	✓	✓	✓	✓
54	Port Authority of Guam	✓	✓	✓	✓
55	Public Defender Service Corporation	✓	✓	✓	✓
56	Public Utilities Commission	✓	✓	✓	✓
57	University of Guam	✓	✓	✓	✓
58	Veterans Affairs Office	✓	✓	✓	✓

**Total compliant entities: [ ✓ ]      56**  
**Total non-compliant entities: [ ✗ ]      2**  
**Total quarterly financial reports:      58**

## Appendix 2: Quarterly Staffing Patterns: 3rd Quarter FY 2008

Page 1 of 2

	Entity Name	Written	Electronic	Web Posting	Overall Compliance
1	Board of Professional Engineers, Architects and Land Surveyors	✓	✓	✓	✓
2	Bureau of Budget and Management Research	✓	✓	✓	✓
3	Bureau of Statistics and Plans	✓	✓	✓	✓
4	Chamorro Land Trust Commission	✓	✓	✓	✓
5	Civil Service Commission	✓	✓	✓	✓
6	Commission on Decolonization (or Commission on Self Determination)	✓	✓	✓	✓
7	Customs and Quarantine Agency	✓	✓	✓	✓
8	Department of Administration	✓	✓	✓	✓
9	Department of Agriculture	✓	✓	✓	✓
10	Department of Chamorro Affairs	✓	✓	✓	✓
11	Department of Corrections	✓	✓	✓	✓
12	Department of Integrated Services for Individuals with Disabilities	✓	✓	✓	✓
13	Department of Labor	✓	✓	✓	✓
14	Department of Land Management	✓	✓	✓	✓
15	Department of Mental Health and Substance Abuse	✓	✗	✓	✗
16	Department of Military Affairs	✓	✓	✓	✓
17	Department of Parks and Recreation	✓	✓	✓	✓
18	Department of Public Health and Social Services	✓	✓	✓	✓
19	Department of Public Works	✓	✗	✓	✗
20	Department of Revenue and Taxation	✓	✓	✓	✓
21	Department of Youth Affairs	✓	✓	✓	✓
22	Government of Guam Retirement Fund	✓	✓	✓	✓
23	Guam Ancestral Lands Commission	✓	✓	✓	✓
24	Guam Board of Accountancy	✦	✦	✦	✦
25	Guam Community College	✓	✓	✓	✓
26	Guam Contractors License Board	✓	✓	✓	✓
27	Guam Council on the Arts and Humanities Agency	✓	✓	✓	✓
28	Guam Economic Development and Commerce Authority	✓	✓	✓	✓
29	Guam Educational Telecommunication Corporation (KGTF)	✓	✓	✓	✓
30	Guam Election Commission	✓	✓	✓	✓
31	Guam Energy Office	✓	✓	✓	✓
32	Guam Environmental Protection Agency	✓	✓	✓	✓
33	Guam Fire Department	✓	✓	✓	✓
34	Guam Housing and Urban Renewal Authority	✓	✓	✓	✓
35	Guam Housing Corporation	✓	✓	✓	✓
36	Guam International Airport Authority	✓	✓	✓	✓

**Appendix 2:**  
**Quarterly Staffing Patterns: 3rd Quarter FY 2008**

	Entity Name	Written	Electronic	Web Posting	Overall Compliance
37	Guam Medical Referral Office	✓	✓	✓	✓
38	Guam Memorial Hospital Authority	✓	✓	✓	✓
39	Guam Police Department	✓	✓	✓	✓
40	Guam Power Authority	✓	✓	✓	✓
41	Guam Preservation Trust	✦	✦	✦	✦
42	Guam Public Library System	✓	✓	✓	✓
43	Guam Public School System	✓	✓	✓	✓
44	Guam State Clearinghouse	✓	✓	✓	✓
45	Guam Visitors Bureau	✓	✓	✓	✓
46	Guam Waterworks Authority	✓	✓	✓	✓
47	Hagatna Restoration & Redevelopment Authority	✓	✓	✓	✓
48	Judiciary of Guam	✓	✓	✓	✓
49	Mayors Council of Guam	✓	✓	✓	✓
50	Office of the Attorney General	✓	✓	✓	✓
51	Office of the Chief Medical Examiner	✓	✓	✓	✓
52	Office of the Governor	✓	✓	✓	✓
53	Office of the Public Auditor	✓	✓	✓	✓
54	Port Authority of Guam	✓	✓	✓	✓
55	Public Defender Service Corporation	✓	✓	✓	✓
56	Public Utilities Commission	✦	✦	✦	✦
57	University of Guam	✓	✓	✓	✓
58	Veterans Affairs Office	✓	✓	✓	✓

**Total compliant entities: [✓]      53**  
**Total non-compliant entities: [✗]      2**  
**Total non-applicable entities: [✦]      3**  
**Total quarterly staffing patterns:      58**

## Appendix 3: Description of Special Reports

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P.L. 29-19 required 21 entities to submit 41 special reports by various due dates. For the 3rd quarter of FY 2008, 31 special reports were to be submitted by 18 entities.

- 27 reports were required by various due dates
- 4 reports with no specific due dates, but had not been submitted in the 1st or 2nd quarter.

Of the 10 remaining special reports for FY 2008, eight were due or submitted in the previous quarters and do not apply to the 3rd quarter. Two reports are not due until the 4th quarter.

In the 3<sup>rd</sup> quarter, the following entities and the number of special reports required were:

	Entity Name	No. of Reports		Entity Name	No. of Reports
1	Bureau of Budget and Management Research	2	10	Guam Medical Referral Office	1
2	Department of Administration	3	11	Guam Memorial Hospital Authority	1
3	Department of Integrated Services for Individuals with Disabilities	1	12	Guam Public School System	4
4	Department of Mental Health & Substance Abuse	2	13	Mayors Council of Guam	1
5	Department of Public Health & Social Services	1	14	Office of the Governor	5
6	Department of Public Works	1	15	University of Guam	3
7	Department of Revenue and Taxation	1	16	Tax Review Commission	1
8	Government of Guam Retirement Fund	1	17	Modernization and Rightsizing Commission of the Government of Guam for the 21st Century	1
9	Guam Community College	1	18	Office of the Attorney General	1

**Total Reports** 31

A summary of the special reports required by the 2008 Budget Act follows:

**Bureau of Budget and Management Research (BBMR).** Chapter VI, Section 4 requires BBMR to submit certified monthly revenue tracking reports in collaboration with the Directors of DRT and DOA due 30 days after the end of each month of FY 2008. The reports should include the revenue tracking for the balance of the fiscal year, based upon the actual collections of the preceding month, and a statement comparing actual and projected revenues.

Chapter VI, Section 14 requires BBMR to submit certified monthly comparative projected revenues based on the actual collections of every preceding month in collaboration with the Directors of DRT and DOA due 15 days after the end of each month.

**Department of Administration (DOA).** Chapter V, Part III, Section 8 requires DOA to submit a report of expenditures from the Government Claims Fund 30 days after the end of each quarter of FY 2008.

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**Appendix 3:**  
**Description of Special Reports**

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Chapter V, Part III, Section 9 requires DOA to submit a report of expenditures from the Residential Treatment Fund 30 days after the end of each quarter.

Chapter VI, Section 31(c) requires a monthly report describing travel by I Magalahaen Guahan, I Segundo Na Magalahaen Guahan, Mayors and Vice-Mayors, and other officials due 5 days after the subsequent month. This is a new reporting requirement from prior years.

Chapter VI, Section 59(d) requires a compliance report of transportation services provided by the contractor due by January 31st of each year during the 3rd quarter. This is a new reporting requirement from prior years.

**Department of Mental Health and Substance Abuse (DMHSA):** Chapter III, Part III, Section 3(b) requires DMHSA to submit a detailed monthly expenditures report on the Youth Drug and Alcohol Program appropriations by the 15<sup>th</sup> day of each month.

**Department of Public Health and Social Services (DPHSS).** Chapter III, Part I, Section 5 requires the DPHSS Director to submit quarterly reports regarding the allocation, demographics and expenditures of the MIP and Medicaid carry-over 30 days after the end of each quarter.

**Department of Public Works (DPW).** Chapter V, Part III, Section 6 requires quarterly reports of the Street Light Fund expenditures.

Chapter VI, Section 98(c) requires the DPW Director to submit a financing plan enumerating all costs associated with the new landfill by 60 days of the effective date of this Act, or December 1, 2007, to include, but not limited to: (1) purchase of the property; (2) environmental mitigation within the landfill footprint, buffer zone, and other affected areas, including, but not limited to, water sources, rivers, streams, tributaries, wetlands, surface water, ground water, drainage, and erosion; (3) infrastructure needs, including, but not limited to, power, water, wastewater and roadways, including climbing lanes for trucks, mitigation of blind-curves and other hazards, shoulder widening, roadway widening, addition of new traffic lanes, traffic management, drainage and storm drainage improvements, access and utility roads, upgrading road markings and signage, and upgrading bridges; (4) landfill construction; and (5) annual landfill operation and maintenance costs. This is a new reporting requirement from prior years.

Chapter VI, Section 98(d) requires DPW to submit a new landfill expenditures report within 30 days of passage of this Act, or November 1, 2007 during the 2nd quarter. This is a new reporting requirement from prior years.<sup>10</sup>

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<sup>10</sup> DPW referenced District Court ruling on P.L. 29-19 section 98 which was deemed unconstitutional and void. The reporting requirements for the Landfill Financing Plan and Landfill Expenditures Report are moot.

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## Appendix 3: Description of Special Reports

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**Government of Guam Retirement Fund (GGRF).** Chapter VI, Section 1 requires the GGRF Director to submit monthly reports on the remittances and the number of retirements by the 15th day of each month.

**Guam Community College (GCC).** Chapter II, Part III, Section 2 requires the GCC President to submit quarterly reports on the number of participants in each GCC program, the amounts expended from appropriations in this Act by object classification, a description of each program, the academic courses offered, and the requirements for participation in each program due 30 days after the end of each quarter.

**Guam Environmental Protection Agency (GEPA).** Chapter VI, Section 98(d) requires GEPA to submit a new landfill expenditures report within 30 days of passage of this Act, or November 1, 2007. This is a new reporting requirement from prior years.<sup>11</sup>

**Guam Medical Referral Office (GMRO).** Chapter VI, Section 6 requires quarterly reports of the activities and expenditures of each medical referral office, to include, but not limited to: (a) number of referred patients served; (b) number of patient escorts or accompanying family members served; (c) average cost per patient referral incurred during that quarter; (d) actual office expenditures for the quarter, including fuel costs; and (e) a description of services provided during the quarter. The reports are due 30 days after the end of each quarter.

**Guam Public School System (GPSS).** Chapter II, Section 1(e) requires the Superintendent of Education to submit a summer school receipt and expenditure report 30 days after the close of summer school, to include: (1) total revenues received, including identification of each revenue source; (2) total expenditures and encumbrances by object classification and by school; and (3) the fund balance.

Chapter II, Section 1(f)(3) requires quarterly reports of all receipts and expenditures for textbooks, e-book readers and collateral classroom instructional materials on the 1st day of each quarter of FY 2008.

Chapter II, Part I, Section 3 requires web postings of (a) all payments for prior year obligations by month, (b) cash disbursement schedules, and (c) the number of filled and vacant FTEs, costs and funding sources by school and division by month.

Chapter II, Part VI, Section 2 requires a report all local funds expended in FY 2007 for federally funded programs. There is no due date for this report.

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<sup>11</sup> DPW referenced District Court ruling on P.L. 29-19 section 98 which was deemed unconstitutional and void. The reporting requirements for the Landfill Financing Plan and Landfill Expenditures Report are moot.



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## Appendix 3: Description of Special Reports

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Chapter VI, Section 15 requires projected schedules of monthly cash disbursements for each school, division and program, by expenditure category, for the fiscal year for the Public Auditor's review and the DOA Director's approval. There is no due date for this report.

Chapter VI, Section 83 requires monthly reports of all expenditures of funds relating to the criteria established in Title 1 GCA §715 and the status of compliance with the Adequate Education Act due 15 days after the end of each month. This is a new reporting requirement from prior years.

**Guam State Clearinghouse (GSC).** Chapter VI, Section 99 requires GSC to submit a cost analysis on all Federal funding for the financial impact of the local matching requirement on the government of Guam's General Fund or special funds, among others to be included in the Governor's executive budget due 15 days after completion. This is a new reporting requirement from prior years.

**Mayors' Council of Guam (MCOG).** Chapter V, Part II, Section 18(d) requires each Mayor to submit a report on the receipt and expenditure of their NAF on the 5th day of the 1st month of every quarter (October 5th, January 5th, April 5th, July 5th).

**Office of the Governor (Governor's Office).** Chapter VI, Section 8 requires the Governor's Office to submit a monthly fund transfer report enumerating the amount of each transfer, identifying the funds to and from which the transfer was made, and the purpose of each transfer for the precious month due on the 5th day of every month.

Chapter VI, Section 46 requires the Governor's Office to submit a Fiscal Realignment Plan if projected fiscal year revenues, based on actual revenues collected, are three percent (3%) or more less than revenue projections adopted by the annual Budget Act. The revenue projections are reported quarterly. This is a new reporting requirement from prior years.

Chapter VII, Section 12 requires the Governor's Office to submit a report on the impact of federal expenditures including projections of federal expenditures on Guam, on Guam's economic growth, employment, tax revenues, and other variables, for the next year compared with the previous five years; identify significant federal expenditures or potential expenditures on Guam affecting military bases, installations, active duty and retired military personnel within Guam, as well as any impact of the changes in these expenditures by January 30, 2008 during the 2nd quarter and July 1, 2008 during the 3rd quarter, and on a semiannual basis thereafter.

Chapter VII, Section 12 requires the Governor's Office to submit a report on the impact of tourism expenditures on Guam's economy and employment, including projections of tourism expenditures on Guam, on Guam's economic growth, employment, tax revenues, and other variables, for the next year compared with the previous five years; identify significant tourism expenditures or potential expenditures coming into Guam affecting tourism as well as the impact

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**Appendix 3:**  
**Description of Special Reports**

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of the changes in these expenditures by January 30, 2008 during the 2nd quarter and July 1, 2008 during the 3rd quarter, and on a semiannual basis thereafter.

Chapter VII, Section 12 requires the Governor's Office to submit a report of long-range forecasts of revenues and expenditures for each of the five years immediately beyond the budget year. There is no due date for this report.

**University of Guam (UOG).** Chapter II, Part II, Section 2 requires the UOG President to submit quarterly revenue and expenditure reports for the Aquaculture Development and Training Center, Water and Environmental Research Institute, (WERI) Guam Hydrologic Survey, WERI Comprehensive Water Resource Monitoring Program, Northern and Southern Soil and Water Conservation District Programs and KPRG due 30 days after the end of each quarter.

Chapter II, Part II, Section 3 requires the UOG President to submit annual reports for: Aquaculture Development and Training Center, WERI Guam Hydrologic Survey, WERI Comprehensive Water Resource Monitoring Program, Northern and Southern Soil and Water Conservation District Programs and KPRG to include program mission statements, objectives, revenue sources, expenditures, number of employees, contracts and program accomplishments in the fiscal year reported. There is no due date for this report.

Chapter II, Part II, Section 4 requires the UOG President to submit an expenditure report for student scholarships, student financial assistance, the Dr. Antonio C. Yamashita Educator Corps and the Educator Corps Council to include the number of scholarships or loans issued by each program, the award date, the anticipated cohort graduation date, the total amount of awards or loans, the total amount of loans repaid to date, the balance of the outstanding awards or loans, the amount of collections to date for outstanding loans and repayments due, the number of awards for each field of study, and the number of recipients working to complete their academic and financial obligations. This report is due 60 days after the end of FY 2007, or December 1, 2007 during the FY 2008 2nd quarter. This is a new reporting requirement from prior years.

**The Tax Review Commission (TRC).** Chapter VI, Section 73 requires a report of recommendations regarding the future of the Qualifying Certificate Program by May 31, 2008, during the 3rd quarter. This is a new reporting requirement from prior years.

**Modernization and Rightsizing Commission of the Government of Guam for the 21st Century (COMRIGHT-21).** Chapter VI, Section 72 requires a recommendations report after reviewing the present status of the executive branch departments, agencies, offices, and instrumentalities. There is no due date for this report.

**Office of the Adequate Education Suruhanu.** Chapter VI, Section 82 requires monthly activity reports to include complaints filed and their status. No reports were submitted for the 1st, 2nd, and 3rd quarters because the Education Suruhanu was not appointed until May 2008. Reports will be required for the 4th quarter. This is a new reporting requirement.

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## Appendix 3: Description of Special Reports

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**Use of Bond Proceeds Report.** Chapter VII, Section 14 requires departments that receive bond proceeds pursuant Title 5 G.C.A. §22435(k) to submit an expenditure report 30 days after the end of every quarter and a close-out upon the project completion. This is a new reporting requirement from prior years. Pursuant to Chapter VIII, Section 1, the following entities were appropriated bond money and required to submit this report:

- DISID was appropriated \$2 million to meet obligations imposed by the Permanent Injunction (District Court of Guam CIV01-00041) provided that said funds shall only be made available if the District Court approves its revised Guam Comprehensive Integration Plan.
- DMHSA was appropriated \$4 million to meet obligations imposed by the Permanent Injunction (District Court of Guam CIV01-00041) provided that said funds shall only be made available if the District Court approves its revised Guam Comprehensive Integration Plan.
- DRT was appropriated \$21.2 million to fund past due income tax refunds and \$1 million to fund real property assessment.
- GMHA was appropriated \$2.6 million to fund capital improvement projects of the Guam Memorial Hospital.
- GPSS was appropriated \$29.5 million to fund the capital expense items and capital improvement projects to comply with the Every Child is Entitled to an Adequate Public Education Act and \$300,000 for school water tanks and water fountains.
- OAG was appropriated up to \$2 million for the Department of Law's APASI system.<sup>12</sup>
- UOG was appropriated \$360,000 to fund Nursing/Health Science Building renovations

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<sup>12</sup> OAG notified OPA that they did not receive appropriations from bond proceeds; therefore we considered this reporting requirement not applicable.

## Appendix 4: Special Reports: 3rd Quarter FY 2008

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**LEGEND:**                    n/a    Not applicable  
 ✓    Complied                    ☒    No due date/Due in 4th quarter  
 ✗    Did not comply            ⚠    Pending legal counsel's opinion of reporting requirement

Entity Name		Report Type	Written	Electronic	Website Posting	Overall Compliance	
1	Bureau of Budget and Management Research	1 Revenue Tracking Report-April 2008	✓	✓	✓	✓	
		Revenue Tracking Report-May 2008	✓	✓	✓		
		Revenue Tracking Report-June 2008	✓	✓	✓		
		2 Comparative Projected Revenues Report - April 2008	✓	✓	✓		
		Comparative Projected Revenues Report -May 2008	✓	✓	✓		
		Comparative Projected Revenues Report - June 2008	✓	✓	✓		
2	Department of Administration	1 Government Claims Fund	✓	✓	✓	✓	
		2 Residential Treatment Fund	✓	✓	✓		
		3 Monthly Travel Report-April 2008	✓	✓	✓		
			Monthly Travel Report-May 2008	✓	✓		✓
			Monthly Travel Report-June 2008	✓	✓		✓
		4 Public Transportation Assessment Report	n/a	n/a	n/a		
3	Department of Integrated Services for Individuals with Disabilities	1 Use of Bond Proceeds Report	✓	✓	✓	✓	
4	Department of Mental Health & Substance Abuse	1 Youth Drug and Alcohol Program - April 2008	✗	✗	✓	✗	
		Youth Drug and Alcohol Program -May 2008	✗	✗	✓		
		Youth Drug and Alcohol Program - June 2008	✗	✗	✓		
		2 Use of Bond Proceeds Report	✗	✗	✗		

## Appendix 4: Special Reports: 3rd Quarter FY 2008

**LEGEND:**            n/a    Not applicable  
 ✓    Complied            ☒    No due date/Due in 4th quarter  
 ✗    Did not comply       ☒    Pending legal counsel's opinion of reporting requirement

Entity Name		Report Type	Written	Electronic	Website Posting	Overall Compliance
5	Department of Public Health & Social Services	1 MIP and Medicaid CarryOver Report	✓	✓	✓	✓
6	Department of Public Works	1 Street Light Fund	✓	✗	✓	✗
		2 Landfill Financing Plan	n/a	n/a	n/a	
		3 Landfill Expenditures Report	n/a	n/a	n/a	
7	Department of Revenue and Taxation	1 Use of Bond Proceeds Report	✓	✓	✓	✓
8	Government of Guam Retirement Fund	1 Retirement Remittance Report-April 2008	✓	✓	✓	✓
		Retirement Remittance Report-May 2008	✓	✓	✓	
		Retirement Remittance Report-June 2008	✓	✓	✓	
9	Guam Community College	1 Academic Programs Report	✓	✓	✓	✓
10	Guam Environmental Protection Agency	1 Landfill Expenditures Report	n/a	n/a	n/a	n/a

## Appendix 4: Special Reports: 3rd Quarter FY 2008

**LEGEND:**                    n/a    Not applicable  
 ✓    Complied                    ☒    No due date/Due in 4th quarter  
 ✗    Did not comply            ⚠    Pending legal counsel's opinion of reporting requirement

Entity Name		Report Type	Written	Electronic	Website Posting	Overall Compliance	
11	Guam Medical Referral Office	1 Program Report	✓	✓	✗	✗	
12	Guam Memorial Hospital Authority	1 Use of Bond Proceeds Report	✗	✗	✓	✗	
13	Guam Public School System	1 Summer School Fund	☒	☒	☒	✗	
		2 Textbook and Collateral Material	✗	✗	✓		
		3	Prior year obligations (web report)	n/a	n/a		✓
			Cash disbursement schedules (web report)	n/a	n/a		✓
			Full-Time Employment - FTE (web report)	n/a	n/a		✓
		4	Adequate Public Education Report-April 2008	✓	✓		✓
			Adequate Public Education Report-May 2008	✓	✓		✓
			Adequate Public Education Report-June 2008	✓	✓		✓
		5	Use of Bond Proceeds Report-April 2008	✓	✓		✓
			Use of Bond Proceeds Report-May 2008	✓	✓		✓
			Use of Bond Proceeds Report-June 2008	✓	✓		✓
6	Local Funds Reimbursement	n/a	n/a	n/a			
7	Cash Disbursement Schedule	n/a	n/a	n/a			
14	Guam State Clearinghouse	1 Federal Programs Cost Analysis	n/a	n/a	n/a	n/a	

## Appendix 4: Special Reports: 3rd Quarter FY 2008

**LEGEND:**            n/a    Not applicable  
 ✓    Complied            ☒    No due date/Due in 4th quarter  
 ✗    Did not comply       ☒    Pending legal counsel's opinion of reporting requirement

Entity Name		Report Type	Written	Electronic	Website Posting	Overall Compliance	
15	Mayors Council of Guam	1	NAF Report-Agana Heights	✓	✓	✓	✓
		NAF Report-Agat	✓	✓	✓		
		NAF Report-Asan- Maina	✓	✓	✓		
		NAF Report-Barrigada	✓	✓	✓		
		NAF Report-Chalan Pago-Ordot	✓	✓	✓		
		NAF Report-Dededo	✓	✓	✓		
		NAF Report-Hagatna	✓	✓	✓		
		NAF Report-Inarajan	✓	✓	✓		
		NAF Report-Mangilao	✓	✓	✓		
		NAF Report-Merizo	✓	✓	✓		
		NAF Report-Mongmong-Toto-Maite	✓	✓	✓		
		NAF Report-Piti	✓	✓	✓		
		NAF Report-Santa Rita	✓	✓	✓		
		NAF Report-Sinajana	✓	✓	✓		
		NAF Report-Talofofa	✓	✓	✓		
		NAF Report-Tamuning - Tumon - Harmon	✓	✓	✓		
		NAF Report-Umatac	✓	✓	✓		
NAF Report-Yigo	✓	✓	✓				
NAF Report-Yona	✓	✓	✓				

## Appendix 4: Special Reports: 3rd Quarter FY 2008

**LEGEND:**

✓	Complied	☒	No due date/Due in 4th quarter
✗	Did not comply	⌘	Pending legal counsel's opinion of reporting requirement
		n/a	Not applicable

Entity Name		Report Type	Written	Electronic	Website Posting	Overall Compliance
16	Office of the Adequate Education Suruhanu	1 Education Suruhanu Report-July 2008	☒	☒	☒	☒
		Education Suruhanu Report-August 2008	☒	☒	☒	
		Education Suruhanu Report-September 2008	☒	☒	☒	
17	Office of the Attorney General	1 Use of Bond Proceeds Report	n/a	n/a	n/a	n/a
18	Office of the Governor	1 Transfer Funds Report - April 2008	✗	✗	✗	⌘
		Transfer Funds Report - May 2008	✗	✗	✗	
		Transfer Funds Report - June 2008	✗	✗	✗	
		2 Fiscal Realignment Plan	n/a	n/a	n/a	
		3 Impact of Federal Expenditures Report	✓	⌘	⌘	
		4 Impact of Tourism Expenditures Report	✓	⌘	⌘	
5 Long-range Revenues and Expenditures Forecasts	☒	☒	☒			
19	University of Guam	1 Program Revenue & Expenditure Report	✓	✓	✓	✓
		2 Program Annual Reports	☒	☒	☒	
		3 Use of Bond Proceeds Report	✓	✓	✓	
		4 Scholarships, Financial Assistance, and other Reports	n/a	n/a	n/a	
20	Tax Review Commission	1 Future of Qualifying Certificate Program Report	✗	✗	✗	✗



## Appendix 4: Special Reports: 3rd Quarter FY 2008

**LEGEND:**                    n/a    Not applicable  
 ✓    Complied                    ☒    No due date/Due in 4th quarter  
 ✗    Did not comply            ☞    Pending legal counsel's opinion of reporting requirement

Entity Name		Report Type	Written	Electronic	Website Posting	Overall Compliance
21	Modernization and Rightsizing Commission of the Government of Guam for the 21st Century	1 COMRIGHT-21 Recommendations Report	☒	☒	☒	☒

				<b>Total compliant reports:</b>	<b>16</b>
				<b>Total non-compliant reports:</b>	<b>7</b>
		<b>Total compliant entities:</b>	<b>9</b>	<b>Total reports not applicable:</b>	<b>2</b>
		<b>Total noncompliant entities:</b>	<b>7</b>	<b>Total reports no due date:</b>	<b>4</b>
		<b>Total entities not applicable:</b>	<b>2</b>	<b>Total reports pending legal opinion:</b>	<b>2</b>
		<b>Total 3rd quarter entities special reports:</b>	<b><u>18</u></b>	<b>Total 3rd quarter special reports:</b>	<b><u>31</u></b>
		<b>Total entities reports not due yet:</b>	<b>1</b>	<b>Total reports not due yet:</b>	<b>2</b>
		<b>Total entities n/a (reported in previous quarters)</b>	<b><u>2</u></b>	<b>Total reports n/a (reported in previous quarters)</b>	<b><u>8</u></b>
		<b>Total FY 2008 entities special reports:</b>	<b><u>21</u></b>	<b>Total FY 2008 special reports:</b>	<b><u>41</u></b>

**Appendix 5:**

**Autonomous Agency Reports: 3rd Quarter FY 2008**

Entity		Report	Written	Electronic	Web Posting	Overall Compliance
1	Government of Guam Retirement Fund	April 2008	✓	✓	✓	✓
		May 2008	✓	✓	✓	✓
		June 2008	✓	✓	✓	✓
2	Guam Community College	April 2008	✓	✓	✓	✓
		May 2008	✓	✓	✓	✓
		June 2008	✓	✓	✓	✓
3	Guam Economic Development and Commerce Authority	April 2008	✓	✓	✓	✓
		May 2008	✓	✓	✓	✓
		June 2008	✓	✓	✓	✓
4	Guam Educational Telecommunications Corporation (KGTF)	April 2008	✓	✓	✓	✓
		May 2008	✓	✓	✓	✓
		June 2008	✓	✓	✓	✓
5	Guam Housing and Urban Renewal Authority	April 2008	✓	✓	✓	✓
		May 2008	✓	✓	✓	✓
		June 2008	✓	✓	✓	✓
6	Guam Housing Corporation	April 2008	✓	✓	✓	✓
		May 2008	✓	✓	✓	✓
		June 2008	✓	✓	✓	✓
7	Guam International Airport Authority	April 2008	✗	✗	✗	✗
		May 2008	✗	✗	✗	✗
		June 2008	✗	✗	✗	✗
8	Guam Memorial Hospital Authority	April 2008	✓	✓	✓	✓
		May 2008	✓	✓	✓	✓
		June 2008	✓	✓	✓	✓
9	Guam Power Authority	April 2008	✓	✓	✓	✓
		May 2008	✓	✓	✓	✓
		June 2008	✓	✓	✓	✓
10	Guam Preservation Trust Fund	April 2008	✓	✓	✓	✓
		May 2008	✓	✓	✓	✓
		June 2008	✓	✓	✓	✓
11	Guam Public School System	April 2008	✓	✓	✓	✓
		May 2008	✓	✓	✓	✓
		June 2008	✓	✓	✓	✓
12	Guam Visitors Bureau	April 2008	✓	✓	✓	✓
		May 2008	✓	✓	✓	✓
		June 2008	✓	✓	✓	✓

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**Appendix 5:****Autonomous Agency Reports: 3rd quarter FY 2008**Page 2 of 2

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	<b>Entity</b>	<b>Report</b>	<b>Written</b>	<b>Electronic</b>	<b>Web Posting</b>	<b>Overall Compliance</b>
13	Guam Waterworks Authority	April 2008	✓	✓	✓	✓
		May 2008	✓	✓	✓	✓
		June 2008	✓	✓	✓	✓
14	Port Authority of Guam	April 2008	✓	✓	✓	✓
		May 2008	✓	✓	✓	✓
		June 2008	✓	✓	✓	✓
15	University of Guam	April 2008	✓	✓	✓	✓
		May 2008	✓	✓	✓	✓
		June 2008	✓	✓	✓	✓

**Total compliant autonomous agencies: 14****Total non-compliant autonomous agencies: 1****Total monthly autonomous agency reports: 15**

**1. Why do we have to submit reports?**

In order to provide transparency and accountability in the use of government funds, Public Law (P.L.) 29-19 mandated various reporting provisions. Financial reporting plays a major role in fulfilling government's duty to be publicly accountable to its taxpayers. Citizens, legislative and oversight officials, and others use financial reports to assess accountability and show whether current year revenues are sufficient to pay for current year services.

**2. Do all reports have to be submitted to OPA?**

No. Some reports are not required to be submitted to the OPA. The quarterly financial reports, NAF reports, GMRO program report, Mayors Council NAF reports, and GPSS Cash Disbursement Schedule are required to be submitted to the OPA. Although a report may not be required to be submitted to the OPA, please submit to OPA proof that you submitted a written and electronic report to the Speaker of I Liheslaturan Guahan. This will allow OPA to attest to a government entity's compliance with the reporting requirements, as mandated by P.L. 29-19 Chapter VII Section 2(a). OPA will review entities' websites to verify web postings.

**3. What if our entity did not have any transactions for a particular reporting requirement (e.g., bond proceeds)?**

Please transmit a "nil" report to the Speaker of the Legislature in all three reporting formats indicating so.

**4. What should we do if OPA does not correctly report my entity's compliance to the reporting requirements?**

We diligently review report submissions. The OPA receives a large number of reports and may inadvertently overlook report submissions. It is possible that reports do not reach us (i.e., wrong email addresses, undelivered emails). For these reasons, we notify potential non-compliant entities after our initial review to verify our records before the report is issued.

If, after the report is issued, a non-compliant entity was mistakenly reported, please notify the OPA and submit the documentation so we may report the correction in the following quarter's report.

**5. Why are all reports mandated by P.L. 29-19 required in all three formats (written, electronic, and web posting)? Chapter VII Section 2 only applies to the “Chapter” not the entire “Act.”**

Source: P.L. 29-19, Chapter VII Section 2(a)

Although some reports do not specify reporting in all three formats, the Minority legal counsel clarified that in Chapter VII Section 2 the words “Chapter” and “Act” are synonymous; therefore, the reporting requirements apply to all reports in P.L. 29-19. In order for OPA to track compliance, a copy of the written and electronic reports, with the speaker's stamp, are needed. OPA will review entities' websites to verify web postings.

**6. What is the penalty for non-compliance with the reporting requirements?**

Source: P.L. 29-19, Chapter VII Section 2(b)

The director of any government agency receiving funds pursuant to this Act, regardless of the source of the agency's appropriations and revenue, shall have his gross salary per pay period and the gross salaries per pay period of his deputy and Chief Financial Officer reduced by twenty percent (20%) for the remainder of the Fiscal Year 2008 for failing to comply with any reporting requirements mandated by this Chapter. The penalty would not apply to entities that do not receive appropriations (e.g. TRC).

The Minority legal counsel clarified that in Chapter VII Section 2 the words “Chapter” and “Act” are synonymous; therefore, the penalty applies if an entity does not submit the reports in all three reporting formats (written, electronic, and web posting).

**7. Will OPA inform us of my entity's reporting requirements and due dates?**

Source: P.L. 29-19, Chapter VII Section 2(b)

Beginning with the 1st quarter of FY 2008, the Public Auditor shall notify all directors of their responsibility under this Section three (3) days before the end of each quarter.

OPA will make every effort to include all reports required by your entity in the quarterly notification memoranda; however, it is ultimately the agency's responsibility to review P.L. 29-19 and ensure that all reporting requirements and deadlines are met.

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## Appendix 7: Quarterly Financial Reporting Requirements FAQs

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### **What are the Quarterly Financial reporting requirements?**

Source: P.L. 29-19, Chapter VII Section 2(a)

#### *Who must submit quarterly financial reports?*

Every director, administrator or head of a government of Guam agency, including line agencies, autonomous and semi-autonomous agencies, public corporations, the President of the Mayors Council of Guam and the Judiciary of Guam.

#### *What must be included in the quarterly financial reports?*

A full disclosure of ALL funds under purview for the preceding quarter, whether appropriated or non-appropriated, local or federal, and regardless of the source of the funding. The report shall be in the form of financial statements or a revenue and expenditure report.

#### *Where do we submit the quarterly financial reports?*

Submit quarterly financial reports to the Speaker of *I Liheslaturan Guahan* and the OPA. Please provide identical sets to both offices.

#### *When do we submit quarterly financial reports?*

No later than thirty (30) days after the end of every fiscal quarter of FY 2008:

- 1st quarter (October – December 2007) report due January 31, 2008
- 2nd quarter (January – March 2008) report due April 30, 2008
- 3rd quarter (April – June 2008) report due July 31, 2008
- 4th quarter (July – September 2008) report due October 31, 2008

#### *How do we report quarterly financials?*

- Submit a written report to the Speaker. Also, submit a written report to the OPA bearing proof of submission to the Speaker (Speaker's stamp).
- Submit an electronic format (including, but not limited to diskettes, CD, and email) of the quarterly financial report to the Speaker. Also, submit an electronic format to the OPA bearing proof of submission to the Speaker. If diskettes or CDs are submitted, the Speaker's stamp will serve as proof of submission. If emailing the reports, please copy OPA at [admin@guamopa.org](mailto:admin@guamopa.org) in the transmittal to the Speaker.
- Post the quarterly financial report on the entity's website. Please indicate the correct website address and links in the transmittal letters to ensure the current website is reviewed.

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## Appendix 8:

# Quarterly Staffing Pattern Reporting Requirements FAQs

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### **What are the Quarterly Staffing Pattern reporting requirements?**

Source: P.L. 29-19, Chapter VI Section 3

#### *Who must submit quarterly staffing patterns?*

Every director, administrator or head of a government of Guam agency, including line agencies, semi-autonomous agencies, public corporations, the President of the Mayors Council of Guam and the Judiciary of Guam.

#### *What must be included in the quarterly staffing patterns?*

A current staffing pattern in the format of the Executive Branch FY 2008 Budget Call, as of the previous quarter's ending. Said staffing pattern shall include, at a minimum, the name of every current employee and his position title, salary, increment costs and benefit costs, as well as the funding source for his salary and benefits.

#### *Where do we submit the quarterly staffing patterns?*

Submit quarterly staffing patterns to the Speaker of I Liheslaturan Guahan. Please provide proof of submission (written and electronic) to OPA so we may verify for compliance to P.L. 29-19.

#### *When do we submit quarterly staffing patterns?*

No later than thirty (30) days after the end of each quarter of FY 2008:

- 1st quarter (October – December 2007) report due January 31, 2008
- 2nd quarter (January – March 2008) report due April 30, 2008
- 3rd quarter (April – June 2008) report due July 31, 2008
- 4th quarter (July – September 2008) report due October 31, 2008

#### *How do we report quarterly staffing patterns?*

- Submit a written staffing pattern to the Speaker. Submit to the OPA, proof of submission to the Speaker (Speaker's stamp).
- Submit an electronic format (including, but not limited to diskettes, CD, and email) of the staffing pattern to the Speaker. Submit to the OPA, proof of submission to the Speaker. If diskettes or CDs are submitted, the Speaker's stamp will serve as proof of submission. If emailing the reports, please copy OPA in the transmittal to the Speaker at [admin@guamopa.org](mailto:admin@guamopa.org) or provide other proof of the email transmission.
- Post the staffing pattern on the entity's website. Please indicate the correct website address and links in the transmittal letters to ensure the current website is reviewed.

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## Appendix 9: Quarterly NAF Reporting Requirements FAQs

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### **What are the Quarterly Non-Appropriated Fund (NAF) reporting requirements?**

Source: P.L. 29-19, Chapter VII Section 2(a)

#### *Who must submit quarterly NAF reports?*

Every director, administrator or head of a government of Guam agency, including line agencies, autonomous and semi-autonomous agencies, public corporations, the President of the Mayors Council of Guam and the Judiciary of Guam.

#### *What must be included in the quarterly NAF reports?*

If your entity receives NAF, the report shall be in the form of financial statements or a revenue and expenditure report. Bank statements are not financial statements and will be considered noncompliant.

#### *Where do we submit the quarterly NAF reports?*

Submit quarterly NAF reports to the Speaker of I Liheslaturan Guahan and the Office of the Public Auditor. Please provide identical sets to both offices.

#### *When do we submit quarterly NAF reports?*

No later than thirty (30) days after the end of every fiscal quarter of FY 2008:

- 1st quarter (October – December 2007) report due January 31, 2008
- 2nd quarter (January – March 2008) report due April 30, 2008
- 3rd quarter (April – June 2008) report due July 31, 2008
- 4th quarter (July – September 2008) report due October 31, 2008

#### *How do we report quarterly NAF?*

- Submit a written NAF report to the Speaker. Also, submit a written report to the OPA bearing proof of submission to the Speaker (Speaker's stamp).
- Submit an electronic format (including, but not limited to diskettes, CD, and email) of the NAF report to the Speaker. Also, submit an electronic format to the OPA bearing proof of submission to the Speaker. If diskettes or CDs are submitted, the Speaker's stamp will serve as proof of submission. If emailing the reports, please copy OPA at [admin@guamopa.org](mailto:admin@guamopa.org) in the transmittal to the Speaker.
- Post the quarterly NAF report on the entity's website. Please indicate the correct website address and links in the transmittal letters to ensure the current website is reviewed.



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## Appendix 10: Quarterly NPO Reporting Requirements FAQs

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### What are the Quarterly Non-Profit Organization (NPO) reporting requirements?

Source: P.L. 29-19, Chapter VII Section 6

#### *Who must submit quarterly NPO reports?*

An overseeing department or agency of a non-profit organization that receives funds pursuant to this Act. The NPO shall maintain financial records that accurately account for said funds and shall provide a budgetary breakdown by object category to the department or agency that oversees the appropriation.

#### *What must be included in the quarterly NPO reports?*

- A quarterly report describing its activities during the reporting period and the results it achieved no later than twenty (20) days after the end of each quarter.
- Notification of all procurement of equipment and services of Five Thousand Dollars (\$5,000) or more prior to awarding the contract.
- Submission of a detailed inventory listing of each year's purchases, as certified by its certifying officer.
- A final report to the overseeing department or agency for submission to *I Liheslaturan Guahan* containing a full disclosure of all expenditures of funds appropriated by this Act no later than November 15, 2008. The overseeing department or agency shall post the same on its website.

#### *Where do we submit the quarterly NPO reports?*

Submit quarterly NPO reports to the Speaker of I Liheslaturan Guahan. Please provide proof of submission (written and electronic) to OPA so we may verify for compliance to P.L. 29-19.

#### *When do we submit quarterly NPO reports?*

No later than thirty (30) days after the end of every fiscal quarter of FY 2008:

- 1st quarter (October – December 2007) report due January 31, 2008
- 2nd quarter (January – March 2008) report due April 30, 2008
- 3rd quarter (April – June 2008) report due July 31, 2008
- 4th quarter (July – September 2008) report due October 31, 2008
- Final report due November 15, 2008

#### *How do we report quarterly NPO financials and activities?*

- Submit a written NPO report to the Speaker. Submit to the OPA, proof of submission to the Speaker (Speaker's stamp).
- Submit an electronic format (including, but not limited to diskettes, CD, and email) of the NPO report to the Speaker. Submit to the OPA, proof of submission to the Speaker. If diskettes or CDs are submitted, the Speaker's stamp will serve as proof of submission. If emailing the reports, please copy OPA in the transmittal to the Speaker at [admin@guamopa.org](mailto:admin@guamopa.org) or provide other proof of the email transmission.
- Post the quarterly NPO report on the entity's website. Please indicate the correct website address and links in the transmittal letters to ensure the current website is reviewed.

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## Appendix 11: Special Reporting Requirements FAQs

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### What are the reporting requirements for Special Reports?

Source: P.L. 29-19, Chapter VII Section 2(a)

Various entities are required to submit Special Reports on various due dates. Please refer to P.L. 29-19 for specific requirements that affect your entity. The Special Reports are summarized in Appendix 5.

P.L. 29-19 increased the number of special reports from 31 in FY 2007 to 41 in FY 2008. New special reports include:

1.	Monthly travel reports (DOA)	5 days after the subsequent month
2.	Public Transportation Assessment Report (DOA)	January 30, 2008
3.	Use of Bond Proceeds Report (DISID, DMHSA, DRT, GMHA, GPSS, OAG, and UOG)	30 days after the end of every quarter
4.	Landfill Financing Plan (DPW)	December 1, 2007 <sup>13</sup>
5.	Landfill Expenditures Report (DPW and GEPA)	November 1, 2007 <sup>14</sup>
6.	Monthly Adequate Public Education Report (GPSS)	15 days after the end of each month
7.	Federal Programs Cost Analysis (GSC)	January 31, 2008 (to be included in the Governor's executive budget)
8.	Fiscal Realignment Plan (Governor's Office)	30 days after the close of every quarter
9.	Scholarships, Financial Assistance, and Other Reports (UOG)	December 1, 2007
10.	Future of Qualifying Certificate Program Report (Tax Review Commission)	May 31, 2008

### *Who must submit Special Reports?*

Various entities are specified in P.L. 29-19 to submit Special Reports.

### *What must be included in the Special Reports?*

The contents of Special Reports vary. See Appendix 5 for a listing of FY 2008 Special Reports.

### *Where do we submit Special Reports?*

Submit Special Reports to the Speaker of *I Liheslaturan Guahan*. Please provide proof of submission (written and electronic) to OPA so we may verify for compliance to P.L. 29-19. The GMRO program report, Mayors Council NAF reports, and GPSS Cash Disbursement Schedule are also required to be submitted to the OPA.

### *When do we submit Special Reports?*

Special Reports are due dates vary. Please see Appendix 5 for a listing of FY 2008 Special Reports.

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<sup>13</sup> In US District Court Civil Case No. 02-00022, the District Court invoked the Supremacy Clause and struck down this section.

<sup>14</sup> In US District Court Civil Case No. 02-00022, the District Court invoked the Supremacy Clause and struck down this section.

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## **Appendix 11: Special Reporting Requirements FAQs**

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**Page 2 of 2**

*How do we submit Special Reports?*

- Submit a written Special Report to the Speaker and if specified, to the OPA. Also, submit a written report to the OPA bearing proof of submission to the Speaker (Speaker's stamp).
- Submit an electronic format (including, but not limited to diskettes, CD, and email) of the Special Reports to the Speaker and if specified, to the OPA. Also, submit an electronic format to the OPA bearing proof of submission to the Speaker. If diskettes or CDs are submitted, the Speaker's stamp will serve as proof of submission. If emailing the reports, please copy OPA in the transmittal to the Speaker at [admin@guamopa.org](mailto:admin@guamopa.org) or provide other proof of the email transmission.
- Post the Special Report on the entity's website. Please indicate the correct website address and links in the transmittal letters to ensure the current website is reviewed.

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## Appendix 12: Monthly Autonomous Agency Reporting Requirements FAQs

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### **What are the Monthly Autonomous Agency Revenues and Expenditures reporting requirements?**

Source: P.L. 29-19, Chapter VI Section 5

#### *Who must submit monthly Autonomous Agency Revenue and Expenditures reports?*

Every autonomous and semi-autonomous agency or public corporation in the government of Guam.

#### *What must be included in the monthly Autonomous Agency Revenue and Expenditures reports?*

All revenues and expenditures for all funds under its purview and administration.

#### *Where do we submit the monthly Autonomous Agency Revenue and Expenditures reports?*

Submit the reports to the Speaker of I Liheslaturan Guahan. Please provide proof of submission (written and electronic) to OPA so we may verify for compliance to P.L. 29-19.

#### *When do we submit monthly Autonomous Agency Revenue and Expenditures reports?*

On a monthly basis. No due date is specified in P.L. 29-19. However, please submit no later than thirty (30) days after the end of every fiscal quarter of FY 2008 in order for OPA to verify and report compliance.

#### *How do we report monthly Autonomous Agency Revenue and Expenditures reports?*

- Submit written monthly reports to the Speaker. Submit to the OPA, proof of submission to the Speaker (Speaker's stamp).
- Submit an electronic format (including, but not limited to diskettes, CD, and email) of the reports to the Speaker. Submit to the OPA, proof of submission to the Speaker. If diskettes or CDs are submitted, the Speaker's stamp will serve as proof of submission. If emailing the reports, please copy OPA in the transmittal to the Speaker at [admin@guamopa.org](mailto:admin@guamopa.org) or provide other proof of the email transmission.
- Post the monthly reports on the entity's website. Please indicate the correct website address and links in the transmittal letters to ensure the current website is reviewed.

**Do you suspect fraud, waste, or abuse in a government agency or department? Contact the Office of the Public Auditor:**



- Call our HOTLINE at 47AUDIT (472-8348);
- Visit our website at [www.guamopa.org](http://www.guamopa.org);
- Call our office at 475-0390;
- Fax our office at 472-7951;
- Or visit us at the PNB Building, Suite 401  
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**All information will be held in strict confidence.**