

**Guam Economic Development
and Commerce Authority
Credit Card Charges and
Related Travel Expenditures**

**Investigative Audit
October 1, 2000 through
September 30, 2004**

**OPA Report No. 05-03
August 2005**



OFFICE OF THE PUBLIC AUDITOR

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OFFICE OF THE PUBLIC AUDITOR

EXECUTIVE SUMMARY

Credit Card Charges and Related Travel Expenditures of the
Guam Economic Development and Commerce Authority
Report No. 05-03, August 2005

The Office of the Public Auditor has uncovered rampant abuse of government-paid credit cards and travel expenditures at the Guam Economic Development and Commerce Authority (GEDCA) for fiscal years 2001 through the first two months of FY 2004.

The investigative audit disclosed that from October 2000 through November 2003 five out of ten¹ credit cardholders made **\$206,549** in questionable charges. These GEDCA employees regularly used GEDCA credit cards not only for local restaurants and entertainment purchases, but also for travel related expenses that were either in addition to advance per diem or not supported with a travel authorization. There were also miscellaneous charges for possible personal purchases.

Through the audited period, GEDCA employees made 485 charges costing \$72,433 for local meals and entertainment of alleged GEDCA clients or other government officials for alleged government purposes. Senior management: Chief Financial Officer, Business Development Director, Finance and Administration Director, and Special Projects Coordinator incurred 444, or 92%, of the on-island meal and entertainment charges.

Efforts to curb the abuses commenced in April 2003 when the new Administrator, along with the new Board of Directors, instituted specific policies to control the use and deter potential misuse of the cards.² The Administrator stated that he saw a complete lack of controls over credit card use when he assumed his position at GEDCA. From 1995 until the initiatives by the new Administrator and Governor, GEDCA had no formal policy on credit card use. In November 2003, the Administrator discontinued the use of credit cards when the Governor announced that the use of credit cards by government departments and agencies would be prohibited during his administration.

The OPA commenced its audit in response to findings by independent auditors that they “were unable to obtain information supporting certain travel expenses for the years ended September 30, 2003 and September 30, 2002.”

In November 2002, the independent auditors began a review of GEDCA’s credit card charges at the request of the then Chairman of the Board. In December 2002, at the request of the independent auditors, GEDCA employees laid out documentation covering four years of credit card and travel expenses on a table in the GEDCA conference room at the ITC Building. Two days later, Typhoon Pongsona heavily damaged the GEDCA offices and allegedly destroyed the documentation, which included expense reports and original receipts. According to the Administration and Operations Manager and the Industry Development Manager, they were not present for the initial clean up and

¹ Eight of the ten credit cardholders are no longer employed by GEDCA.

² Board Resolution No. 03-014

did not know who made the decision to discard the damaged documents. The OPA was able to reconstruct records and analyze data from credit card statements provided by the interim Acting Administrator.

At a meeting on December 31, 2002, the then outgoing Board of Directors adopted a resolution ratifying “all credit card statements, travel authorizations and expense reports for the fiscal years 1999 through 2002 due to GEDCA’s inability to audit these expenses,” in the amount of \$583,487. This was the first time the Board ratified credit card charges. The Board did not act responsibly when it ratified the credit card charges for the four-year period, without conducting any type of review for assurance of the propriety of the charges.

The OPA audit found that GEDCA’s senior management made 362 charges for \$45,494 at local restaurants. A total of \$19,889 was spent with 187 charges at Marty’s Restaurant, Lonestar, Shirley’s Coffee Shop, the Guam Hilton, and the Hyatt. Coincidentally, Marty’s Restaurant and Lonestar are located directly across the street from GEDCA’s offices. Senior management also made 82 charges costing \$22,431 for entertainment at local bars, clubs and bowling alleys. The top five clubs visited were Liaison Karaoke Box, Kitano Zaka, Mac & Marti’s, Pelin’s Place, and Akasaka Rikyu where \$15,909 was spent on 45 occasions.

On the basis of the agency’s travel policy, GEDCA issued 150 travel authorizations during the audited period. Forty-seven were for business fares, 99 were economy class fares, and four TAs indicated no airfare was paid. A total of \$115,858 would have been saved if GEDCA had utilized economy class fares instead of business class fares.

The GEDCA Administrative Services Officer (“ASO”) told OPA auditors that although GEDCA’s travel policy required affected employees to submit timely expense reports, senior management officials seldom complied with the policy. She said monthly letters were sent to employees who held GEDCA credit cards reminding them “to report and submit an expense report on the usage of GEDA’s credit cards.”³ She was continuously challenged because the Finance and Administration Director, the Chief Financial Officer, the Business Development Director and the Special Projects Coordinator did not submit expense reports. The ASO said that there was a “double-standard” that allowed top management to ignore the reporting requirements while it was enforced for lower level employees. Without timely expense reports, it was difficult for the Accounting Department to determine if the charges were validly incurred for official purposes. In fact, most of the senior managers’ expense reports were only being developed in preparation for the December 2002 audit. The interviews with GEDCA staff indicated that they believed that a climate of abuse existed among senior managers because of the nature and frequency of their credit card charges and their failure to file timely credit card and travel reports. There were no consequences for the failure to file a timely expense report until the credit card policy was established in April 2003.

GEDCA’s travel policy also allows non-GEDCA employees to travel at GEDCA’s expense. Between fiscal years 2001 through 2004, GEDCA paid \$71,416 in travel for 26 non-GEDCA employees from six different government departments and agencies. Eight traveled business class. The travelers from the Governor’s Office included the Governor, a Security Officer, a Staff Assistant, and a daughter of the Governor identified as a Special Assistant. Other non-GEDCA travelers were the Director of Bureau of Planning, a Police Officer II from the Guam Police

³ Excerpt from Internal Memorandum sent to credit card holders monthly.

Department, the Attorney General, the Director of the Department of Administration, and Insurance Specialists and Tax Specialists from the Department of Revenue and Taxation.

A draft report was provided to the GEDCA Administrator in June 2005. The GEDCA Administrator in turn, provided a copy of each section of the report pertaining to the eight out of the nine individuals who had questionable charges. The final report was modified on the basis of documentation of travel and credit card charges provided by the former Industry Development Manager, Industry Development Manager, Public Finance Officer, and Compliance Supervisor.

In responses, the former Chief Financial Officer stated “all the required documents were turned into GEDCA and were available as of December 6, 2002, including the charges which were personal in nature and reimbursed, pursuant to GEDCA’s travel and expense policies.” The former Finance and Administration Director stated that “**ALL REPORTS WITH ALL PROPER DOCUMENTATION WERE SUBMITTED ACCORDINGLY, ALONG WITH THE APPROPRIATE AUTHORIZATIONS. ALL INDIVIDUALS COPIED BELOW WILL ATTEST TO THIS.**” The former Business Development Director’s response was submitted by his attorney and stated, “Based upon all information I have seen, all GEDCA procurement policies and procedures were followed....”

The GEDCA Administrator who took office in 2003⁴ generally concurred with the findings and recommendations of the OPA audit.

For more details, see **Results of Investigative Audit** section of the full report.

A summary of the questionable costs is as follows:

- The Chief Financial Officer made \$106,174 in questionable charges including:
 - **\$45,962** in airline, hotel, off-island restaurant, and car rental charges that were made without supporting TAs;
 - **\$19,678** in hotel and off-island restaurant charges that were in addition to per diem he received prior to traveling;
 - **\$19,372** in local restaurant charges, such as Marty’s Restaurant (\$1,462) and Shirley’s Coffee Shop (\$2,334), Lonestar Steakhouse (\$1,130), Guam Hilton (\$1,927), PIC-Bistro (\$1,352), Oriental Restaurant (\$744);
 - **\$13,708** for possible personal purchases at Ikea Furniture, Lenscrafters, Eye Exam 2000, Del Concha Tobacco, Stoies Stogies, Pulvers Sherlock, KB Toy Store, Ace Hardware, Benson Guam Enterprises, Pacific Tyre, Atkins Kroll, Mark’s Motors, and Ke-Ra-Da Sporting Goods;
 - **\$7,454** in local entertainment charges at establishments such as Liaison Karaoke Box (\$4,893), Akasaka Rikyu (\$516) and Night Shift Karaoke Club (\$581).

- The Business Development Director made \$48,567 in questionable charges including:
 - **\$15,799** in off-island hotel and restaurant charges that were in addition to the per diem he received prior to traveling;
 - **\$13,978** in local restaurant charges such as Marty’s Restaurant (\$6,180), Lonestar Steakhouse (\$729), Capricciosa (\$974), and Shirley’s Coffee Shop (\$318);

⁴ That person is now employed as the General Manager of the Guam Visitors Bureau.

- **\$12,701** in airline, hotel, off-island restaurant, and car rental charges that were made without supporting TAs;
 - **\$3,788** for possible personal purchases at Triple J Express Tire, Pacific Tyre, Proline, Famous Smoke Shop, Pulvers Sherlock, See's Candy, The Dungeon, Game Stop, and Ace Hardware;
 - **\$2,301** in local entertainment charges, at establishments such as Mac & Marti's (\$559), Liaison Karaoke Box (\$554), Fishbowl (\$419), The Cigar Divan (\$263), Tree Bar (\$227), and Akasaka Rikyu (\$137);
- The Special Projects Coordinator made \$31,742 in questionable charges including:
- **\$9,951** in local entertainment charges at Liaison Karaoke Box (\$3,090), Pelin's Place (\$229), Talofofo Golf Restaurant (\$354), Kitano Zaka (\$2,496), C'est La Vie (\$671), Alindog Karaoke Lounge (\$441), and Osung Karaoke (\$600);
 - **\$9,695** in local restaurant charges at Hyatt (\$1,845), Issin Restaurant (\$1,290), Guam Hilton (\$487), VIP House (\$1,210), PIC-Bistro (\$395), and Lonestar Steakhouse (\$108);
 - **\$5,069** in off-island hotel and restaurant charges that were in addition to the per diem he received prior to traveling;
 - **\$4,832** in off-island hotel and restaurant charges that were made without supporting TAs;
 - **\$2,195** for possible personal purchases such as Old Navy and charges indicated in the credit card statements with an asterisk.
- The Finance and Administration Director made \$16,030 in questionable charges including:
- **\$7,708** in off-island hotel and restaurant charges that were in addition to the per diem he received prior to traveling;
 - **\$2,725** in local entertainment charges at Talofofo Golf Resort (\$186) and Liaison Karaoke Box (\$2,487);
 - **\$2,449** in local restaurant charges at Marriott (\$326), Guam Hilton (\$1,221), and Utage Restaurant (\$107);
 - **\$1,630** for possible personal purchases at Rhino Skin Inc., American Tourister, Ave Maria Gift Shop, and charges indicated in the credit card statements with an asterisk, where we could not determine the details of the charges;
 - **\$1,518** in airline, hotel, car-rental, and off-island restaurant charges that were made without supporting TAs.



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Introduction

This report represents the results of our investigative audit of the credit card charges and related travel expenditures of the Guam Economic Development and Commerce Authority (GEDCA) for fiscal years 2001 through 2004. The review was conducted (1) in response to GEDCA's FY 2002 and 2003 financial audit qualifications where the independent auditors "were unable to obtain information supporting certain travel expenses for the years ended September 30, 2003 and September 30, 2002" and (2) to document and ascertain any impropriety in credit card and travel charges. The objectives of our investigative audit were to determine (1) the nature of the credit card expenditures for each cardholder by fiscal year, (2) whether credit card transactions were appropriate, and (3) whether GEDCA's travel policy promoted a prudent use of government funds. The objective, scope, methodology, and prior audit coverage are detailed in Appendices 2 and 3.

Background

In August 1965, Public Law 8-80 created GEDCA to assist in the implementation of an integrated program for the economic development of Guam under the direction of a Board of Directors (Board) and an Administrator that is appointed by the Board. The Board is responsible for the management, administration, policies, and direction of GEDCA. The Administrator manages GEDCA's programs and policies and reports the day-to-day operations directly to the Board.

In 1995, the Board approved the use of credit cards, but did not establish a credit card policy. Instead, GEDCA utilized the guidelines set forth under the GEDCA Travel Expense Policy to regulate credit card charges. The GEDCA travel policy states that:

- GEDCA board members and staff are allowed business class airfare for off-island travel (December 1995, Regular Board Meeting, Air Travel Policy §16).
- In addition to GEDCA employees and directors, officers of the government of Guam and officers of GEDCA subsidiaries are authorized to travel and are required to follow GEDCA travel guidelines (June 1995, Regular Board Meeting, Travel Policy Charges, §10).



Image 1: GEDCA's office after Typhoon Pongsona

- No particular travel agency, airline, hotel, etc., will be favored over another. The prime consideration is lowest cost and reliability (Section IV.3. Selection of Vendors).
- GEDCA employees are authorized to incur reasonable expenses for travel, including entertainment of others while traveling and GEDCA shall reimburse employees for such expenses, provided that documentation of the amount, time, place, designation of type of travel and entertainment, reason, and receipt or paid bill is presented to GEDCA (Section V – Travel Expense Policy).
- An account book is presented to GEDCA in which the employee records at or near the time of each expenditure, the amount, time, place, and designation of the type of travel and entertainment, and the reason for the expenditure. (Section V—Travel Expense Policy)

In November 2002, independent auditors began a preliminary review of GEDCA’s credit card charges at the request of the former chairman of the Board. Following a meeting held in December 2002 between GEDCA management and the independent auditors, the credit card and travel documents were laid out on a table in the GEDCA conference room in preparation for the auditors to sample them to ensure that the agreed-upon procedures could be performed. Two days later, Guam was hit by Typhoon Pongsona, which heavily damaged the GEDCA offices in the ITC Building. The damage included substantially four years of credit card and travel reimbursement documentation. According to the Administration and Operations Manager and Industry Development Manager, they were not present for the initial clean up and were unaware of who decided to discard these documents. Although the documentation, which included expense reports and original documents, was damaged in the typhoon, we were able to retrieve and analyze data from credit card statements provided to us by the interim Acting Administrator appointed by the Governor.

At the December 31, 2002 board meeting, the former Board ratified “all credit card statements, travel authorizations, and expense reports for fiscal years 1999 through 2002 due to GEDCA’s inability to audit these expenses,” in the amount of \$583,487. This was the first time the Board ratified credit card charges. A breakdown of each fiscal year’s credit card charges that were ratified follows:

<u>Fiscal Years</u>	<u>Amount</u>
1999	\$ 68,726
2000	\$ 104,504
2001	\$ 231,416
2002	\$ 178,841
<u>Total</u>	<u>\$ 583,487</u>

In April 2003, about eight years after GEDCA authorized the usage of credit cards, the new Administrator finally established a comprehensive credit card policy as approved by the new Board under GEDCA Resolution No. 03-014. The Administrator stated that he saw the complete lack of controls when he assumed his position at GEDCA and initiated policies to control uses and potential misuse of the credit cards. Specifically, he reverted custody of the credit cards to the accounting department to be signed out only upon off-island travel.

In November 2003, the GEDCA Administrator discontinued the use of credit cards based on the Governor of Guam's statements prohibiting the use of credit cards by government departments and agencies during his administration.

In November 2003, the Special Projects Coordinator (former SPC) was released from GEDCA as a result of fulfilling his duties. In December 2003, the GEDCA Finance & Administration Director (former FAD), Business Development Director (former BDD), and the Chief Financial Officer (former CFO) were asked to resign after the interim Acting GEDCA Administrator found excessive uses of the credit cards including possible personal purchases. When the former BDD and former CFO did not resign, they were terminated in December 2003. Both employees appealed their terminations to the Civil Service Commission (CSC), alleging they were wrongfully terminated. The CSC decided not to hear their case because the two employees were not hired through the merit system.

The former BDD and former CFO subsequently filed suits against the new Board of Directors and the Administrator regarding their terminations. In June 2005, the case¹ was ruled in favor of GEDCA and the two former employees' claims were denied.

In January 2004, the former FAD resigned. The FAD, CFO, BDD, and SPC were considered the senior management of GEDCA.

¹ Superior Court of Guam Special Proceedings Case No. SP0005-04

Results of Investigative Audit

We found that certain GEDCA credit cardholders, more specifically the former Chief Financial Officer, former Business Development Director, former Special Projects Coordinator, former Finance and Administration Director and former Business Development Manager, abused their official government credit cards by (1) charging excessively at local restaurant and entertainment establishments, (2) charging travel related expenses that were either in addition to advanced per diem or not supported by a travel authorization, and (3) making miscellaneous charges for possible personal purchases. These types of charges did not conform to GEDCA's policy guidelines and to those guidelines considered best practices exercising both prudence and fiduciary judgment. A summary of the questionable and abusive credit card charges follows:

Table 1: Summary of Questionable and Abusive Costs

GEDCA Position	Abusive Costs		Questionable Costs			Grand Total for Abusive and Questionable Costs
	Local Restaurants	Local Entertainment	Travel Expenses		Other Charges	
			Charges made in addition to advanced per diem	Charges made without a supporting travel authorization		
Chief Financial Officer	\$ 19,372	\$ 7,454	\$ 19,678	\$ 45,962	\$ 13,708	\$ 106,174
Business Development Director	\$ 13,978	\$ 2,301	\$ 15,799	\$ 12,701	\$ 3,788	\$ 48,567
Special Projects Coordinator	\$ 9,695	\$ 9,951	\$ 5,069	\$ 4,832	\$ 2,195	\$ 31,742
Finance and Administration Director	\$ 2,449	\$ 2,725	\$ 7,708	\$ 1,518	\$ 1,630	\$ 16,030
Business Development Manager**	\$ 440	\$ 48	\$ 180	\$ -	\$ 3,368	\$ 4,036
Total*	\$ 45,934	\$ 22,479	\$ 48,434	\$ 65,013	\$ 24,689	\$ 206,549

*Totals may not add up due to rounding.

** The Business Development Manager was not considered senior management.

These conditions occurred because the former Finance and Administration Director and former Board were negligent in their fiduciary responsibilities by not providing appropriate oversight and monitoring activities. The Board did not act responsibly when it ratified the credit card charges for the four-year period of \$583,487, without conducting any review for assurance of the propriety of the charges.

Although expense reports were required as stated in GEDCA's travel expense policy and monthly letters were sent reminding credit cardholders of their requirement "to report and submit an expense report on the usage of GEDA's credit card(s)," ² the Administrative Services Officer (ASO) indicated she was continually challenged by credit cardholders, particularly senior management, when they were prompted to submit valid expense reports and supporting documentation. The ASO said that credit cardholders were held to a "double standard" as lower level credit cardholders were required to submit timely expense reports, while senior

² Excerpt from Internal Memorandum sent to credit cardholders monthly.

management often had difficulties submitting their expense reports timely. In fact, most of senior management's expense reports were only being developed in preparation for the December 2002 audit requested by the former chairman of the Board. Due to the lax environment over the controls of credit card and travel expenditures, there has been a lack of responsibility in ensuring the timely submission of expense reports by senior management. As a result, GEDCA incurred \$206,549 in questionable and abusive charges.

The former Board authorized the staff and board members of GEDCA to upgrade to business class for off-island travel.³ Additionally, the former Board also authorized non-GEDCA Government of Guam employees to travel utilizing GEDCA funds and also allowed them to upgrade to business class for off-island travel. GEDCA could have realized a total savings of \$115,858 if economy class fares were utilized instead of business class fares.

This occurred because the Board did not evaluate the cost effectiveness of allowing business class travel, which is contradictory to the existing policy which states that the prime consideration for selection of vendors for airline, hotel, car rental, etc., should be lowest cost to GEDCA and reliability of the vendor.

In total, 26 non-GEDCA employees traveled at a cost of \$71,416. The non-employees were from the Governor's Office, Attorney General's Office, Bureau of Planning, Department of Administration, Department of Revenue and Taxation, and the Guam Police Department.

Questionable Credit Card Charges

From October 2000 through November 2003, GEDCA credit cards were issued to ten GEDCA employees who charged a total of \$511,342. We reviewed GEDCA's credit card statements during this period to determine the nature of the expenses. It was noted that supporting information relating to senior management's expense reports, receipts, and invoices prior to December 8, 2002, were not available for review; however lower-level employees, such as the former Industry Development Manager and Public Finance Officer, were able to provide copies of their expense reports and receipts.

For fiscal years 2001 through 2004, GEDCA employee credit card charges totaled \$511,342 and consisted of:

- \$93,818 for meals⁴ & entertainment, of which \$72,433 was incurred locally and \$21,385 was incurred off-island.
- \$244,270 in travel related expenses, such as hotels, car rentals, and airlines.
- \$173,254 in miscellaneous expenses such as computers, conference fees, and expositions.

A breakdown of GEDCA's expenses for meals and entertainment, travel, and other charges by credit cardholder can be found in Appendix 4.

In addition to the above charges of \$511,342, these ten GEDCA employees had travel authorizations for fiscal years 2001 through 2004 for which another \$248,653 was paid.

³ December 1995 board meeting, Air Travel Policy §16

⁴ Local hotels were classified as restaurants.

Local Meals and Entertainment

GEDCA did not have a policy for local entertainment charges and the Office of the Public Auditor (OPA) recognizes that some amount of entertainment may be appropriate, therefore, we evaluated entertainment expenses based on Section V of GEDCA's Travel Policy which states:

GEDCA employees "are authorized to incur **reasonable** [emphasis added] expenses for travel, including entertainment of others while traveling, and GEDA shall reimburse each such Employee, from time to time, for all such expenses; *provided*, that each such Employee present to GEDA: An account book in which the Employee records at or near the time each expenditure is made: (a) The amount of the expenditure; (b) The time, place and designation of the type of travel and entertainment; (c) The reason for the expenditure;..."

GEDCA's travel policy is also consistent with Chapter 9, Section 910 of the U.S. Master Tax Guide. This section states that forms of entertainment, amusement, or recreation costs may be deducted for income tax purposes provided that it is (1) directly related to the active conduct of a trade or business or (2) associated with such business if the expense is for entertainment directly before or after a substantial bona fide business discussion.

According to Government Auditing Standards issued by the Comptroller General of the United States of America, "abuse involves the behavior that is deficient or improper when compared with behavior that a prudent person would consider reasonable and necessary business practice given the facts and circumstances."⁵

From October 2000 through November 2003, GEDCA employees charged \$72,433 in 485 instances, for local meals and entertainment of alleged GEDCA clients or other government officials for alleged government purposes. Of this amount, \$49,854 was charged at local restaurants and \$22,579 was charged at local entertainment establishments, such as bars, clubs, and bowling alleys. Senior management incurred the most local meals and entertainment charges, charging 444 times out of the 485, or 92%. Other GEDCA credit cardholders charged their credit cards 41 times out of 485, or 8%, of which 39 charges, or \$4,357, represent local restaurant charges and two charges, or \$148, in local entertainment charges.

GEDCA's senior management charged \$45,494, representing 362 charges, at local restaurants. Senior management's top five restaurants amounted to \$19,889 in 187 instances and included Marty's Restaurant, Lonestar, Shirley's Coffee Shop, Guam Hilton, and Hyatt. Coincidentally, Marty's Restaurant and Lonestar are located directly across the street from GEDCA.

GEDCA's senior management charged \$22,431, representing 82 charges, at local entertainment establishments. Of this amount, the top five clubs included Liaison Karaoke Box, Kitano Zaka, Mac & Marti's, Pelin's Place, and Akasaka Rikyu, which amounted to \$15,909 in 45 instances.

See Appendix 5 for a breakdown of meals and entertainment charges on Guam, top ten Guam restaurants with the most frequent charges, and top ten Guam clubs with the most frequent charges.

⁵ Section 7.25. Government Auditing Standards

According to the ASO, it was difficult for the Accounting Department to determine if the charges were valid business expenses because certain GEDCA credit cardholders did not turn in expense reports in a timely manner or submit them at all, despite written notification that they were due. There were no consequences for non-remittance of these reports until a credit card policy was established in April 2003.

Based on interviews with GEDCA staff, they believed there was a double standard of report submission as well as a climate of abuse amongst senior management because of the nature and frequency of their credit card charges and the lack of and untimely submission of expense reports.

Travel

We determined that 83 of 150 travel authorizations (TA) were issued to GEDCA cardholders for fiscal years 2001 through 2004. We determined total travel related expenses for GEDCA cardholders from FY 2001 through FY 2004 were \$492,923. This comprised of \$248,653 in travel authorizations for transportation, per diem, and miscellaneous allowances, plus another \$244,270 in additional credit card charges for airlines, hotels, car rentals, and other travel related expenses identified in the credit card statements. Of the 83 TAs, we distinguished transportation payments between those made directly to travel agencies and those made by credit card to eliminate any potential double charges. A breakdown of this amount follows in Table 2.

Table 2: Travel Related Charges for GEDCA cardholders

Travel Authorization: Transportation	\$ 131,565
Travel Authorization: Per Diem	\$ 81,937
Travel Authorization: Miscellaneous Charges	\$ 35,151
Subtotal Travel Authorizations	\$ 248,653
Credit Card Charges: Airlines	\$ 140,502
Credit Card Charges: Hotels	\$ 92,173
Credit Card Charges: Car Rentals	\$ 10,310
Credit Card Charges: Other Travel Related	\$ 1,285
Subtotal Credit Card Charges	\$ 244,270
Grand Total for Travel Related Expenses	<u>\$ 492,923</u>

GEDCA cardholders charged \$92,173 in the 38-month period for hotels, charging the most in New York (\$26,120), Japan (\$13,377), San Francisco (\$11,855), and Honolulu (\$11,592).

Detailed Credit Card Expenses

A detailed narrative of the questionable credit card charges follows:

Former Chief Financial Officer

Between October 2000 and November 2003, the former Chief Financial Officer (former CFO) charged \$175,481 to his GEDCA credit card. In total, we questioned \$106,174 in credit card charges, specifically \$19,372 in local restaurants, \$7,454 in local entertainment, \$62,249 in travel related expenses, \$3,391 in off-island restaurants, and \$13,708 in other charges. See Table 3 for

a breakdown of charges and questionable charges. See Appendix 6 for details of the former CFO's charges.

Table 3: Summary of Chief Financial Officer's Credit Card Charges

Chief Financial Officer's Expenses	Total Credit Card Charges	Questionable and Abusive Costs
Total for Local Restaurants	\$ 19,371.91	\$ 19,371.91
Total for Local Entertainment	\$ 7,453.90	\$ 7,453.90
Total for Travel Related Expenses	\$ 113,894.65	\$ 62,248.93
Total for Off-Island Restaurants	\$ 3,679.29	\$ 3,391.47
Total for Other Charges	\$ 31,081.40	\$ 13,707.82
Grand Total	\$ 175,481.15	\$ 106,174.03

Reimbursements to GEDCA and Bank

As of November 2003, the former CFO did make a series of payments to GEDCA and the credit card bank for his personal credit card charges totaling \$6,419. He made a \$3,658 payment directly to the bank, had \$123 deducted one time from his bi-weekly paycheck, and paid \$2,638 to GEDCA for reimbursement of unused per diem and two personal credit card charges. However, we were not able to determine which charges were reimbursed.

Local Meals and Entertainment

The former CFO engaged in a pattern of abuse based on the excessive number of charges he made at local establishments. It appeared that any kind of discussion dealing with GEDCA required an entertainment expense of some kind. There was no documentation to determine whether in fact these were appropriate and legitimate expenses that should have been charged to GEDCA.

The former CFO made a total of 178 charges at local restaurants and nightclubs for entertainment of alleged GEDCA clients. These charges included Marty's Restaurant, 19 times for a total of \$1,462, and Shirley's Coffee Shop, 19 times for a total of \$2,334. Other local restaurants where the former CFO charged included 14 charges at Lonestar Steakhouse (\$1,130); 11 charges at Guam Hilton (\$1,927); ten charges at the Pacific Islands Club-Bistro (\$1,352); nine charges at the Oriental Restaurant (\$744); eight charges at the Hyatt (\$872); seven charges at Genji (\$1,226); five charges at Alize (\$623); four charges at VIP House (\$936); four charges at Issin Restaurant (\$939); four charges at Islander Terrace (\$722); four charges at Capricciosa (\$585); four charges at Fuji Ichiban (\$208); three charges at Alupang Beach Tower (\$122); three charges at Old Hagatna Bar & Grill (\$195); three charges at Nakashima Ent. Inc. (\$491); two charges at Seahorse Restaurant (\$124); two charges at Westin Resort Guam (\$449); two charges at Cyberup Café (\$176); two charges at Guam Dai-Ichi (\$206); and two charges at Quizno's Sub (\$184). One-time charges include: Niji Restaurant (\$584), Joinus Restaurant (\$300), Hanaya Restaurant (\$147), Guam Plaza Hotel (\$246), Zuilin Restaurant (\$158), Santa Fe Bar & Grill (\$143), Outrigger Guam Resort (\$137), Mini Café (\$133), Island Fisherman's Restaurant (\$115), Holiday Inn (\$96), Domino's Pizza (\$91), Janz by the Sea (\$64), Denny's (\$63), Sakura Noodle House (\$49), and Siam Cuisine Restaurant (\$40).

He also made eight charges totaling \$4,893 at the Liaison Karaoke Box and one-time charges at Pelin's Place, \$531; Mac & Marti's, \$307; Diamond Club, \$275; and the Talofofu Golf Resort, \$351. He also charged his credit card five times each at Akasaka Rikyu, (\$516); and Night Shift Karaoke Club, (\$581).

Travel Related Expenses

Travel Authorizations (TAs) and Credit Card Charges for Additional Expenses

Based on GEDCA's Travel Policy, per diem allowance is for meals and lodging expenses. We identified seven TAs for the former CFO between fiscal years 2001 through 2004 and found \$27,639 was spent for transportation and \$7,775 was advanced for per diem. After comparing these amounts to total credit card charges made during the same time period, a total of \$19,678, specifically \$14,711 in hotel charges, \$3,153 in off-island restaurant charges, and \$1,814 in transportation costs were questionable. These charges were questionable because the former CFO charged his credit card for additional travel expenses even though he received advanced per diem that should have covered these expenses. See details below.

- Between June 24, 2001 and June 29, 2001, the former CFO traveled to Seattle and New York and was paid \$825 in per diem, but charged \$2,709 in additional expenses to his GEDCA credit card. These charges included \$930 for four restaurant charges at the Crabpot, TGIFriday's, Sparks Steak House, and Alioto Fish Co. and three hotel charges at Cavanaugh's Terrace and Hilton amounting to \$1,779.
- Between November 26, 2001 and December 8, 2001, the former CFO traveled to New York and San Francisco and was authorized \$4,267 in transportation, which was paid to Travel Bag, and paid \$2,100 in per diem. Although his airfare had already been authorized and paid, we found two airline charges for Hawaiian Airlines and United amounting to \$1,567. In addition to per diem, his credit card was charged \$7,228 for restaurants and hotels. These charges included \$1,147 for nine different charges (Angelo & Maxie000100, Benihana Tokyo, Alioto Fish Co., Max's on the Square, Aqua, Masu Japanese Bistro, and Fresh Choice) and \$6,081 for four hotel charges at Hilton and the Park Hyatt.
- Between February 10, 2002 and February 21, 2002, the former CFO traveled to San Francisco, New York, and Los Angeles and was paid \$1,825 in per diem. However, we found that \$1,964 in restaurant and hotel expenses were charged to his GEDCA credit card. There were five restaurant charges totaling \$552 at the Narita Airport Terminal, Hatsuhana, Vaqueros Border Chop, and Alioto Fish Co. and one charge at the Hotel Inter-Continental for \$1,412.
- Between April 9, 2002 and April 17, 2002, the former CFO traveled to Seattle, New York, and San Francisco and was paid \$1,700 in per diem, but there was \$4,205 in additional restaurant and hotel expenses charged to his GEDCA credit card during this period. Charges included eight hotel charges amounting to \$3,681 at the Airport Hilton, The Plaza Hotel, and Hilton and three restaurant charges amounting to \$524 at the Narita Airport Terminal and Tabla.
- Between September 27, 2002 and October 5, 2002, the former CFO traveled to Taipei and New York. This TA allowed \$1,325 in per diem, but there was one hotel charge at the Hilton for \$1,759.
- Between October 23, 2002 and November 6, 2002, the former CFO traveled to San Francisco and Honolulu. This TA allowed \$5,297 in transportation, but there was a charge at Southwest Airlines for \$239.

- We noted four charges for cart rental fees at the Smarte Carte for \$8, which should have been covered by per diem.

Travel Related Charges without a Supporting Travel Authorization

We questioned \$45,962 in credit card charges made without a corresponding TA. These charges included 20 airline charges of \$43,675, seven hotel charges of \$1,777, two car rental charges of \$272, and two off-island restaurant charges of \$239. We questioned the validity of these charges because there were no corresponding TAs authorizing these travel expenses. See Table 4 for the charges that did not have supporting travel authorization.

Table 4: Former CFO's Travel Related Charges without Supporting Travel Authorization

	<u>Transaction Date</u>	<u>Charge</u>	<u>Location</u>	<u>Amount</u>
1	12/8/2000	Northwest Airlines	Minnesota	\$ 2,760
2	2/6/2001	Continental	Texas	\$ 238
3	2/6/2001	Continental	Texas	\$ 132
4	2/8/2001	Aquarius Beach Tower	Saipan	\$ 109
5	2/8/2001	Dollar Rent A Car	Saipan	\$ 45
6	2/8/2001	China House Restaurant	Saipan	\$ 92
7	2/14/2001	Northwest Airlines	Minneapolis	\$ 700
8	3/6/2001	Continental	Texas	\$ 1,296
9	3/9/2001	Continental	Texas	\$ 242
10	3/20/2001	Northwest Airlines	Minneapolis	\$ 1,750
11	7/4/2001	Continental	Houston	\$ 2,088
12	7/5/2001	Budget Rent A Car	Los Angeles	\$ 227
13	7/8/2001	Hilton	Los Angeles	\$ 516
14	7/9/2001	Ideta Restaurant	Honolulu	\$ 147
15	7/10/2001	Ala Moana Hotel	Honolulu	\$ 459
16	7/27/2001	Northwest Airlines	St. Paul	\$ 2,547
17	7/31/2001	Northwest Airlines	St. Paul	\$ 3,850
18	7/31/2001	Northwest Airlines	St. Paul	\$ 1,687
19	7/31/2001	Northwest Airlines	St. Paul	\$ 3,158
20	9/25/2001	Four Points HTL	Los Angeles	\$ 469
21	11/8/2001	Continental	Houston	\$ 4,075
22	11/15/2001	Continental	Houston	\$ 916
23	12/9/2001	Continental	Houston	\$ 1,069
24	10/7/2002	Northwest Airlines	St. Paul	\$ 4,728
25	10/7/2002	Northwest Airlines	St. Paul	\$ 4,626
26	10/28/2002	Barbary Coast Htl	Las Vegas	\$ 64
27	10/28/2002	Flmngo Hilton Paradi	Las Vegas	\$ 64
28	10/30/2002	Barbary Coast Htl	Las Vegas	\$ 95
29	11/26/2002	Northwest Airlines	St. Paul	\$ 1,414
30	2/3/2003	Northwest Airlines	*	\$ 4,088
31	10/10/2003	Northwest Airlines	*	\$ 2,310
		Total		\$ 45,963

*Credit card statements did not indicate location.

The fact that the former CFO made 31 purchases for travel related expenses without supporting travel authorizations showed a complete breakdown of controls for travel and travel related expenses. The Administrator and, in particular, the Board failed to exercise prudence by failing to monitor the activities of senior management.

Double Charges for Airlines

During the course of our review, we saw several double charges for airlines on the same day for the same amount. In total, we found that the former CFO had double charges on seven different days amounting to \$23,110. After reviewing these charges, the former CFO indicated that he made these extra charges on behalf of the former Finance and Administration Director, who lost his credit card and was not issued a replacement card. Therefore, we did not question these double charges. See Table 5 for the airline charges that were double charged on the same day for the same amount.

Table 5: Former CFO's Double Charges for Airlines for FAD

<u>Fiscal Year</u>	<u>Airline</u>	<u>Date</u>	<u>Amount</u>
2001	Northwest Airlines	12/8/2000	\$ 2,760
2001	Northwest Airlines	12/8/2000	\$ 2,760
2001	Continental	2/6/2001	\$ 238
2001	Continental	2/6/2001	\$ 238
2001	Continental	3/6/2001	\$ 1,296
2001	Continental	3/6/2001	\$ 1,296
2001	Continental	7/4/2001	\$ 2,088
2001	Continental	7/4/2001	\$ 2,088
2002	Southwest Airlines	2/15/2002	\$ 206
2002	Southwest Airlines	2/15/2002	\$ 206
2003	Northwest Airlines	10/7/2002	\$ 4,728
2003	Northwest Airlines	10/7/2002	\$ 4,728
2003	Southwest Airlines	10/27/2002	\$ 239
2003	Southwest Airlines	10/27/2002	\$ 239
Total			\$ 23,110

Questionable Miscellaneous Charges

The former CFO had 73 questionable charges that appeared personal in nature totaling \$13,708. The questionable charges for possible personal purposes to his GEDCA credit card include:

- Home Furnishings: Purchases at Ikea Furniture on consecutive days amounting to \$1,786, \$93 at the Home Depot, and a \$112 charge for Pacific LP Gas.
- Health Products: One charge for chemicals at MPI Chemicals for \$1,676, three charges for eyeglasses at Lenscrafters and Eye Exam 2000 for \$951, \$300 at Rexall Drug Store, and \$184 spent at Gero Vita Laboratories.
- On-line Mail Order: Six charges of \$897 at eBags.com.⁶ Nine charges of \$586 at Amazon.com and AOL Shop Direct. Because of the lack of documentation, we were not able to determine what items were ordered.
- Duty Free Establishments: One charge at Duty Free Shoppers in Tumon for \$280 and one charge at Everrich Duty Free Shoppers in Taipei for \$398.
- Automobile Related: Three charges totaling \$497 at Pacific Tyre (\$100), Atkins Kroll (\$77), and Mark's Motors (\$320) and three charges for \$73 at Mobil and South Pacific Petroleum on Guam.

⁶ After visiting this website, we found out that eBags is "the world's largest online retailer of bags and accessories for all lifestyles."

- Video/Multimedia: Twelve charges of \$1,523 at Blockbuster (\$45), Virgin Megastore (\$381), Sybersound Records (\$201), Music Match (\$90), Circuit City (\$259), Good Guys (\$16), Best Buy Co. (\$207), and Bose Store Riverhead (\$324).
- Tobacco Related: Three charges of \$374, at Del Concha Tobacco (\$86), Stoies Stogies (\$162), and Pulvers Sherlock (\$126).
- Clothing/Shoes: Two charges of \$337 at Florsheim Shoe (\$110) and Bergdorf Goodman (\$227).
- Toys: A charge of \$132 at KB Toys.
- Sporting Goods: A charge of \$90 at Ke-Ra-Da Sporting Goods.
- Unknown: Two unknown charges of \$308. The descriptions on the credit card statements were indicated with asterisks. We were unable to ascertain the details of these asterisk charges.
- Hardware: Four charges of \$1,380, at Ace Hardware (\$699) and Benson Guam Enterprises (\$681).
- Uncategorized: Fifteen charges of \$1,731, for Accounting (\$616), Cost U Less (\$320), Costco (\$248), For Your Entr (\$262), Premium Services (\$35), and Welcome Screen (\$250).

We identified five charges for office supplies amounting to \$2,157 at Daytimers Inc., Staples, Xerox, and National Office Supply. Although we did not question these charges, these types of purchases would normally be made by non-management staff instead of the CFO. We also identified 23 charges amounting to \$1,790 for AOL Service, which we did not question.

Former Business Development Director

Between October 2000 and November 2003, the former Business Development Director (former BDD) charged \$86,230 to his GEDCA credit card. In total, we questioned \$48,567 in credit card charges, specifically \$13,978 in local restaurants, \$2,302 in local entertainment, \$26,328 in travel related expenses, \$2,172 in off-island restaurants, and \$3,788 in other charges. See Table 6 for a breakdown of questionable and abusive charges. See Appendix 7 for details of the former BDD's charges.

Table 6: Summary of Business Development Director's Credit Card Charges

Business Development Director's Expenses	Total Credit Card Charges	Questionable and Abusive Costs
Total for Local Restaurants	\$ 13,981.03	\$ 13,978.03
Total for Local Entertainment	\$ 2,301.53	\$ 2,301.53
Total for Travel Related Expenses	\$ 53,714.57	\$ 26,327.56
Total for Off-Island Restaurants	\$ 2,876.66	\$ 2,172.10
Total for Miscellaneous Charges	\$ 13,356.47	\$ 3,787.75
Grand Total	\$ 86,230.26	\$ 48,566.97

Reimbursements to GEDCA

As of November 2003, the former BDD reimbursed GEDCA a total of \$2,345, comprised of direct payments to GEDCA of \$512 for personal credit card charges, payroll deductions of \$970, and reimbursement of \$863 in unused per diem. However, we were unable to determine what charges were being reimbursed.

Local Meals and Entertainment

Like the former CFO, the BDD also engaged in a pattern of abuse based on the excessive number of charges he made at local establishments. It appeared that any kind of discussion dealing with GEDCA required an entertainment expense of some kind. There was no documentation to determine whether these were appropriate and legitimate expenses that should have been charged to GEDCA.

The former BDD made 170 charges at local restaurants and nightclubs for entertainment of alleged GEDCA clients. The former BDD charged his GEDCA credit card 73 times totaling \$6,180 at Marty's Restaurant, averaging \$85 a charge. Other local restaurants where the former BDD charged included nine charges at Lonestar Steakhouse (\$729), nine charges at Capricciosa (\$974), nine charges at Shirley's Coffee Shop (\$318), four charges at Joinus Restaurant (\$917), three charges at Hyatt (\$689), five charges at Seahorse Restaurant (\$570), four charges at Guam Hilton (\$421) three charges at the Oriental Restaurant (\$189), three charges at VIP House (\$410), two charges at Genji (\$340), four charges at Fuji Ichiban (\$190), two charges at the Old Hagatna Bar & Grill (\$108), two charges at King's Restaurant (\$31), two charges at Cyberup Café (\$32), two charges at Santa Fe Bar & Grill (\$37), and two charges at Holiday Inn (\$140). One-time charges include Roy's Restaurant (\$284), Sam Choy's (\$331), Le Tasi Bistro (\$231), Thai Kitchen (\$100), PIC-Bistro (\$270), Alupang Beach Tower (\$60), Sandcastle Inc. (\$116), Outrigger Guam Resort (\$87), Le Premier (\$55), Down Town Deli (\$93), and Café Cino (\$79).

He also made seven charges totaling \$559 at Mac & Marti's, two charges at Liaison Karaoke Box (\$554); three charges at Fishbowl (\$419); three charges at The Cigar Divan (\$263); one charge at the Tree Bar (\$227); one charge at You and Me (\$47); one charge at Akasaka Rikyu (\$137) and three charges totaling \$98 at Central Lanes, a local bowling establishment.

Travel Related Expenses

Travel Authorizations and Credit Card Charges for Additional Expenses

As mentioned previously, per diem allowance is provided for meals and lodging expenses. We identified 14 TAs for the former BDD between fiscal years 2001 through 2004 and found \$48,181 was spent for transportation and \$12,925 provided for per diem. After comparing these amounts to total credit card charges made during the same period, we questioned a total of \$15,799, specifically \$10,293 in hotel charges, \$4,315 in transportation costs, and \$1,191 in off-island restaurant charges. These charges were questionable because the former BDD used his credit card for additional travel expenses even though he received per diem that should have covered these expenses. See details below for the additional credit card charges.

- Between November 26, 2000 and December 6, 2000, the former BDD traveled to Honolulu, New York, and San Francisco and was paid \$1,750 in per diem, but charged \$1,540 in additional expenses to his GEDCA credit card. These charges included \$1,521 for two hotel charges at the Ala Moana Hotel (\$359) and Loews Hotel (\$1,162) and one restaurant charge at Master Wok (\$18).

- Between December 10, 2000 and December 15, 2000, the former BDD traveled to Honolulu and was paid \$875 in per diem, but charged \$609 in additional expenses to his GEDCA credit card. These charges included \$609 for four restaurant charges at the Red Lobster (\$119), John Dominis (\$400), Anna Miller's Restaurant (\$61), and Aloha 7 11 (\$29).
- Between January 28, 2001 and February 7, 2001, the former BDD traveled to Scottsdale, San Francisco, and Honolulu and was paid \$1,400 in per diem, but charged \$108 in additional expenses to his GEDCA credit card. These charges included a hotel charge at Doubletree Hotels (\$13) and a restaurant charge at The House (\$95).
- Between April 16, 2001 and April 21, 2001, the former BDD traveled to New York and was paid \$875 in per diem, but charged \$1,497 in additional expenses to his GEDCA credit card. These charges included a hotel charge at Hotel Inter-Continental (\$1,403) and a restaurant charge at Bubby's (\$94).
- Between June 3, 2001 and June 10, 2001, the former BDD traveled to Honolulu and New York and was paid \$1,225 in per diem, but charged \$1,915 in additional expenses to his GEDCA credit card. These charges included two hotel charges at the Ala Moana Hotel (\$480) and Marriott (\$1,435).
- Between July 29, 2001 and August 3, 2001, the former BDD traveled to San Francisco and was paid \$875 in per diem, but charged \$1,448 in additional expenses to his GEDCA credit card. These charges included three hotel charges at the Sir Francis Drake Hotel (\$1,448).
- Between September 15, 2001 and September 24, 2001, the former BDD traveled to Chicago and Los Angeles and was authorized \$2,776 for transportation, paid to Golden Dragon Travel, but charged \$4,075 for Continental for additional travel costs.
- Between November 26, 2001 and December 3, 2001, the former BDD traveled to New York and San Francisco and was paid \$1,225 in per diem, but charged \$1,582 in additional expenses to his GEDCA credit card. These charges included two restaurant charges at the Trattoria Dell'arte (\$115), Dave & Buster's (\$79) and a hotel charge at Hilton (\$1,389).
- Between February 6, 2002 and February 12, 2002, the former BDD traveled to Los Angeles and Honolulu and was paid \$1,700 in per diem, but charged \$31 in additional expenses to his GEDCA credit card. This included one hotel charge at the Ontario Airport Hilton (\$31).
- Between April 8, 2002 and April 18, 2002, the former BDD traveled to New York and Honolulu and was paid \$1750 in per diem, but charged \$2,456 in additional expenses to his GEDCA credit card. This included one restaurant charge at Gerardis Restaurant (\$182) and a hotel charge at the Plaza Hotel (\$2,274).
- Between October 23, 2002 and November 1, 2002, the former BDD traveled to San Francisco and was authorized \$5,297 in transportation, paid to Golden Dragon Travel, but there was one charge at American Airlines totaling \$135.

- Between October 22, 2003 and October 24, 2003, the former BDD traveled to Tokyo and was paid \$350 in per diem, but charged \$298 in additional expenses to his GEDCA credit card. These charges included three hotel charges at the Hotel Okura Tokyo (\$132) and a restaurant charge at Toranomompastral (\$166).
- We noted 17 charges for cart rental fees and host stands purchases of \$105 at the Smarte Carte, Airport Carts LLC, and HMS Host HNL, LAX, and SFO, which should have been covered by per diem.

Travel Related Charges without a Supporting Travel Authorization

We questioned \$12,701 in credit card charges made by the former BDD without a corresponding TA. These charges included two airline charges (\$5,861), seven hotel charges (\$5,352), two car rental charges (\$488), 12 off-island restaurant charges (\$981), and one gasoline charge (\$18). We questioned the validity of these charges because there were no corresponding TAs authorizing these travel expenses. See Table 7.

Table 7: Former BDD’s Travel Related Charges without Supporting Travel Authorization

	<u>Transaction Date</u>	<u>Charge</u>	<u>Location</u>	<u>Amount</u>
1	11/17/2000	Ala Moana Hotel	Honolulu	\$ 99
2	11/17/2000	Ala Moana Hotel	Honolulu	\$ 99
3	5/24/2001	Fontana Restaurant	Mach	\$ 171
4	5/25/2001	Fontana Restaurant	Mach	\$ 147
5	11/7/2001	Continental	Houston	\$ 4,075
6	2/5/2002	Ala Moana Hotel	Honolulu	\$ 1,083
7	4/27/2002	Continental	Houston	\$ 1,786
8	4/28/2002	Hertz Rent A Car	Oklahoma City	\$ 208
9	4/28/2002	Red Lobster	Honolulu	\$ 23
10	4/28/2002	Red Lobster	Honolulu	\$ 73
11	4/30/2002	Hooters	Honolulu	\$ 40
12	5/1/2002	Ala Moana Hotel	Honolulu	\$ 414
13	5/1/2002	Ala Moana Hotel	Honolulu	\$ 398
14	5/1/2002	Side Street Inn	Honolulu	\$ 69
15	7/16/2002	Hertz Rent A Car	Oklahoma City	\$ 280
16	7/17/2002	Red Lobster	Honolulu	\$ 16
17	7/17/2002	Red Lobster	Honolulu	\$ 61
18	7/17/2002	Chili's G&B	Honolulu	\$ 42
19	7/18/2002	John Dominis	Honolulu	\$ 142
20	7/18/2002	Aloha 7 11	Honolulu	\$ 18
21	7/22/2002	Ala Moana Hotel	Honolulu	\$ 888
22	5/28/2003	Le Parker Meridien Hot	New York	\$ 1,837
23	9/18/2003	The Plaza Hotel	New York	\$ 330
24	9/30/2003	Adams Mark Hotels	Orlando	\$ 401
		Total		\$ 12,701

Questionable Miscellaneous Charges

The former BDD had 46 other questionable charges that appeared personal in nature totaling \$3,788. Examples of the questionable charges include:

- Music: A charge of \$494 at J&R Sound Mail Order.

- Automobile Related: Six charges of \$403 at Triple J Express Tire (\$223), Pacific Tyre (\$102), Proline (\$25), Mobil (\$12), and Shell (\$41).
- Tobacco Related: Four charges of \$333 at the Famous Smoke Shop (\$31) and Pulvers Sherlock (\$302).
- Candy/Coffee/Gift Shop: Seven charges of \$216 at See's Candy (\$129), Lamonts Gift & Sundries (\$37), and Starbucks (\$50).
- Duty Free Establishments: A charge of \$120 at Asahi Duty Free.
- Department Store/Groceries: Four charges of \$295 at Wal-Mart (\$160), DP SFO Bay Traders (\$109), and Daiei (\$26).
- Costumes: A charge of \$53 at The Dungeon.
- Audio/Visual: Three charges of \$323 at Game Stop (\$131), Magnolia Hi Fi 2000 (\$140), and Audio Vision Center (\$52).
- Uncategorized: Ten uncategorized purchases at Cost U Less (\$243), 1601 Capital Ave. (\$27), Company KX (\$71), Gyukaku Rotsupongiten (\$117), and Host Int'l Inc. (\$19).
- Unknown: Seven unknown charges in which the descriptions were indicated in the credit card statements with asterisks amounting to \$684. We were unable to ascertain the details of the asterisk charges.
- Hardware: Two charges of \$390 at Ace Hardware.

We identified one-time charges for supplies of \$700 at Staples (\$302), Island Business Systems (\$215), and Xerox (\$183). Although we do not question these charges, these types of purchases would normally have been made by administrative staff rather than the former BDD. We identified 43 charges amounting to \$3,397 for AOL Service, which we did not question.

Former Finance and Administration Director

Between October 2000 and July 2003, the former Finance and Administration Director charged \$43,033 to his GEDCA credit card. In total, we questioned \$16,030 in credit card charges, specifically \$2,449 in local restaurants, \$2,725 in local entertainment, \$5,668 in travel related expenses, \$3,558 in off-island restaurants, and \$1,630 in other charges. See Table 8 for a breakdown of questionable and abusive charges. See Appendix 8 for details of the former Finance and Administration Director's charges.

Table 8: Summary of Finance and Administration Director's Credit Card Charges

Finance and Administration Director's Expenses	Total Credit Card Charges	Questionable and Abusive Costs
Total for Local Restaurants	\$ 2,449.13	\$ 2,449.13
Total for Local Entertainment	\$ 2,724.65	\$ 2,724.65
Total for Travel Related Expenses	\$ 8,228.14	\$ 5,668.34
Total for Off-Island Meals and Entertainment	\$ 5,707.82	\$ 3,557.72
Total for Miscellaneous Charges	\$ 23,922.96	\$ 1,629.93
Grand Total	\$ 43,032.70	\$ 16,029.77

Reimbursements to GEDCA

As of January 2004, the former FAD reimbursed GEDCA \$581.

Local Meals and Entertainment

The former FAD made 23 charges for local meals and entertainment. There was no documentation to determine whether these were appropriate and legitimate expenses that should have been charged to GEDCA. Again, it appeared that any kind of discussion dealing with GEDCA required an entertainment expense of some kind. As the head of GEDCA, the former FAD's lack of monitoring and oversight over the former CFO and the former BDD created this pattern of abuse for local meals and entertainment.

The former FAD charged his credit card one-time each at the Manhattan Steakhouse, \$283; VIP House, \$271; Joinus Restaurant, \$85; Lonestar, \$74; Marty's Restaurant, \$29; and Palace Hotel, \$8. Other local restaurant charges include two charges each at the Marriott, \$327; Guam Hilton, \$1,221; Utage Restaurant, \$107; and Alupang Beach Tower, \$45.

The former FAD charged his credit card six times at the Liaison Karaoke Box for \$2,487, twice at the Talofofu Golf Resort for \$186, and once at the Bistro Bar for \$52.

Travel Related Expenses

Travel Authorizations and Credit Card Charges for Additional Expenses

We identified 11 TAs for the former FAD between October 2000 through July 2003 and found \$22,163 was spent for transportation and \$12,469 was provided for per diem. After comparing these amounts to total credit card charges made during the same period of time, we questioned a total of \$7,708, specifically \$4,387 in hotel charges and \$3,321 in off-island restaurant charges. These charges were questionable because the former FAD charged his credit card for additional travel expenditures even though he received per diem. See details below for his additional credit card charges.

- Between October 23, 2000 and October 29, 2000, the former FAD traveled to Miami and was paid \$938 in per diem, but charged \$3,221 in additional expenses to his GEDCA credit card. These charges included a hotel charge at the Biltmore Hotel (\$2,001) and seven restaurant charges at Grillfish (\$572), Planeta Mexico (\$54), Satchmo Blues Bar & Grill (\$165), the Yum Yum Tree (\$32), and John Dominis (\$397).
- Between November 16, 2000 and November 23, 2000, the former FAD traveled to Sydney, Australia and was paid \$1,313 in per diem, but charged \$1,360 in additional expenses to his GEDCA credit card. These charges included two restaurant charges at

the Waterfront Restaurant (\$270) and Nick’s Seafood Restaurant (\$238), and three hotel charges at the Outrigger Cairns Resort (\$192), Novotel Sydney (\$632), and Hyatt Regency (\$29).

- Between January 2, 2001 and January 7, 2001, the former FAD traveled to Washington, DC and was paid \$1,750 in per diem, but charged \$284 in additional expenses to his GEDCA credit card. These charges included two restaurants at Sam & Harry’s (\$161) and Pete’s Tavern (\$123).
- Between February 4, 2001 and February 10, 2001, the former FAD traveled to San Francisco and was paid \$1,313 in per diem, but charged \$67 in additional expenses to his GEDCA credit card. This was a restaurant charge at Sam’s Grill & Seafood.
- Between March 8, 2001 and March 13, 2001, the former FAD traveled to Cairns, Australia and was paid \$938 in per diem, but charged \$743 in additional expenses to his GEDCA credit card. These were two restaurant charges at Raw Prawn Café (\$485) and Taste of China Restaurant (\$258).
- Between July 30, 2001 and August 8, 2001, the former FAD traveled to San Francisco and Honolulu and was paid \$1,969 in per diem, but charged \$432 in additional expenses to his GEDCA credit card. These were two restaurant charges at Biscuits and Blues (\$35) and Dine (\$397).
- Between November 5, 2001 and November 9, 2001, the former FAD traveled to Tokyo and was paid \$875 in per diem, but charged \$909 in additional expenses to his GEDCA credit card. These were three hotel charges at Tokyo Hilton (\$410) and Hilton Musashino Dynasty (\$498).
- Between November 5, 2002 and November 18, 2002, the former FAD traveled to Tokyo and was paid \$656 in per diem, but charged \$693 in additional expenses to his GEDCA credit card. These were hotel and restaurant charges at the Narita Airport Terminal (\$26), Capricciosa (\$43), and at the Tokyo Hilton (\$624).

Travel Related Charges without a Supporting Travel Authorization

We questioned \$1,518 in credit card charges made without corresponding TAs. These charges included one airline charge (\$163), one hotel charge (\$729), one car rental charge (\$389), and four off-island restaurant charges (\$237). We questioned the validity of these charges because there were no corresponding TAs authorizing these travel expenses. See Table 9.

Table 9: Former FAD’s Travel Related Charges without Supporting Travel Authorization

<u>Transaction Date</u>	<u>Charge</u>	<u>Location</u>	<u>Amount</u>
11/2/2000	Hertz Rent A Car	Honolulu	\$ 389
11/2/2000	Ala Moana Hotel	Honolulu	\$ 729
11/3/2000	Narita Airport Terminal	Japan	\$ 28
11/3/2000	Narita Airport Terminal	Japan	\$ 28
11/3/2000	Narita Airport Terminal	Japan	\$ 17
1/17/2001	Raw Prawn Café	Cairns	\$ 164
11/21/2002	Pacific Isl Aviation	Saipan	\$ 163
Total			\$ 1,518

Questionable Miscellaneous Charges

The former FAD had 21 questionable charges that appeared personal in nature amounting to \$1,630. Examples of the questionable charges include:

- Audio Visual: Three charges of \$94 at Audio Vision Center (\$25), BIC Camera Shinjuku East (\$69), and Sam Goody (\$55).
- Bags/Luggage: One charge at Rhino Skin Inc. for \$224 and one charge at American Tourister for \$108.
- Gifts: One charge for flowers at Fellan Co. for \$95 and one charge at Ave Maria Gift Shop for \$107.
- Delivery: One charge at Urban Fetch for \$200.
- Uncategorized: Seven charges of \$231 at Premium Services (\$18), Registernow (\$24), 2nd Terminal South Wing (\$154), Handango (\$20), and at Clearco Inc. (\$15).
- Unknown: Six charges in which the descriptions were indicated in the credit card statements with asterisks amounting to \$515. We were unable to ascertain the details of the asterisk charges.

We did not question the former FAD's 37 charges of \$2,248 for AOL Service, three charges of \$12 at Consumer Reports, and one charge at Beyond Shop Symantec for \$64.

Former Special Projects Coordinator

Between October 2000 and December 2002, the former Special Projects Coordinator charged \$52,016 to his GEDCA credit card. In total, we questioned \$31,742 in credit card charges, specifically \$9,695 in local restaurants, \$9,951 in local entertainment, \$6,986 in travel related expenses, \$2,916 in off-island restaurants, and \$2,195 in other charges. See Table 10 for a breakdown of questionable and abusive charges. See Appendix 9 for details of the former SPC's charges.

Table 10: Summary of Special Project Coordinator's Credit Card Charge

Special Project Coordinators' Expenses	Total Credit Card Charges	Questionable and Abusive Costs
Total for Local Restaurants	\$ 9,694.69	\$ 9,694.69
Total for Local Entertainment	\$ 9,950.80	\$ 9,950.80
Total for Travel Related Expenses	\$ 18,239.86	\$ 6,985.53
Total for Off-Island Meals and Entertainment	\$ 6,339.18	\$ 2,916.02
Total for Miscellaneous Charges	\$ 7,791.40	\$ 2,194.98
Grand Total	\$ 52,015.93	\$ 31,742.02

Reimbursements to GEDCA

As of February 2002, the former SPC reimbursed GEDCA for only a total of \$3,475, consisting of \$832 personal credit card charges and \$2,643 in unused per diem.

Local Meals and Entertainment

Similar to the former CFO and former BDD, the former SPC also engaged in a pattern of abuse based on the excessive number of charges he made at local establishments. It appeared that any kind of discussion dealing with GEDCA required an entertainment expense of some kind. There was no documentation to determine whether in fact these were appropriate and legitimate expenses that should have been charged to GEDCA. The former SPC was considered a part of senior management.

The former SPC made 73 charges at local restaurants and nightclubs for entertainment of alleged GEDCA clients. The former SPC charged his GEDCA credit card most frequently at Hyatt, eight times for a total of \$1,845; Issin Restaurant, four times for a total of \$1,290; Guam Hilton, four times for a total of \$487; VIP House, three times for a total of \$1,210; PIC-Bistro, three times for a total of \$395; Lonestar, two times for a total of \$108; Talofofu Golf Restaurant, two times for a total of \$354; and Alupang Beach Tower, two times for a total \$139. One-time charges include: Hy's Steakhouse (\$645), Roy's Restaurant (\$532), Hanaya Restaurant (\$783), Marriott (\$617), Marty's Restaurant (\$115), Capricciosa (\$120), Joinus Restaurant (\$148), Seahorse Restaurant (\$113), Utage Restaurant (\$181), Fujiya Restaurant (\$190), Bistro Tei (\$116), Sandcastle Inc. (\$80), Carmen's Cha Cha Cha (\$70), Y'Kusina (\$77), and Oriental Restaurant (\$80).

He also charged the most at the Liaison Karaoke Box, \$3,090 for a total of seven times for local entertainment. He charged his card three times at Pelin's Place for \$229 and twice at the following: Kitano Zaka, \$2,496; C'est La Vie, \$671; Alindog Karaoke Lounge, \$441; and Osung Karaoke totaling \$600. One-time charges include: New Wai Wai Club, \$206; 3-9 Madam Tokyo, \$193; Akasaka Rikyu, \$77; Fishbowl, \$95; Mac & Marti's, \$34; and Mariposa Karaoke Lounge for \$21. We also noted a charge at the Hyatt ballroom for \$1,395 and five charges at the Talofofu Golf Resort for \$403.

Travel Related Expenses

Travel Authorizations and Credit Card Charges for Additional Expenses

We identified 15 TAs for the former SPC between October 2000 through December 2002 and found \$36,222 spent for transportation and \$15,594 provided for per diem. After comparing these amounts to total credit card charges made during the same periods of time, we questioned a total of \$5,069 in charges, specifically \$2,940 in hotel charges, \$2,107 in off-island restaurant charges, and \$23 in transportation related purchases. These charges were questioned because the former SPC charged his credit card for additional travel expenditures even though he received per diem. See details below for the additional credit card charges.

- Between November 26, 2000 and December 6, 2000, the former SPC traveled to Honolulu, New York, and San Francisco and was paid \$2,188 in per diem, but charged \$321 in additional expenses to his GEDCA credit card. These charges were for a hotel charge at the Ala Moana Hotel (\$36) and two restaurant charges at the Station Grill (\$82) and Ruby Foos (\$203).
- Between January 28, 2001 and February 7, 2001, the former SPC traveled to Scottsdale, San Francisco, and Honolulu and was paid \$1,750 in per diem, but charged \$170 in additional expenses to his GEDCA credit card. These charges were made at the Ala Moana Hotel (\$60) and at Ruths Chris Steak House (\$110).

- Between May 10, 2001 and May 24, 2001, the former SPC traveled to Hawaii and New York and was paid \$3,063 in per diem, but charged an \$96 in additional expenses to his GEDCA credit card. These charges were made at Café Fiorello (\$53) and Don Giovanni Restaurant (\$43).
- Between June 6, 2001 and June 10, 2001, the former SPC traveled to Taipei and was paid \$750 in per diem, but made an additional expense at the Grand Formosa Regent for \$33.
- Between January 13, 2002 and January 18, 2002, the former SPC traveled to Honolulu and was paid \$1,531 in per diem, but charged \$2,079 in additional expenses to his GEDCA credit card. These charges included three restaurant charges at the New Office (\$459), Sansei Seafood (\$112), and Capricciosa (\$65), and a hotel charge at the Prince Hotels (\$1,443).
- Between February 9, 2002 and February 22, 2002, the former SPC traveled New York, San Francisco, and Los Angeles and was paid \$2,719 in per diem, but charged \$348 in additional expenses to his GEDCA credit card. These charges were at the Kang Suh Restaurant (\$138) and Gyu Kaku Restaurant (\$210).
- Between April 15, 2002 and April 20, 2002, the former SPC traveled to Honolulu and was paid \$1,094 in per diem, but charged \$1,073 in additional expenses to his GEDCA credit card. These charges included two charges to restaurants at the New Office (\$542) and Ryan’s Grill (\$90), and a hotel charge at the Ala Moana Hotel (\$441).
- Between July 3, 2002 and July 8, 2002, the former SPC traveled to Tokyo and was paid \$1,094 in per diem, but charged \$617 in additional expenses to his GEDCA credit card. These charges included hotel charges at the Tokyo International (\$513) and Grand Hyatt (\$104).
- Between November 5, 2002 and November 8, 2002, the former SPC traveled to Tokyo. This TA allowed \$656 in per diem, but charged \$309 in an additional hotel expense at Hilton Tokyo.

We noted 12 charges for cart rental fees at the Smarte Carte and Airport Carts LLC for \$23, which should have been covered by per diem.

Travel Related Charges without a Supporting Travel Authorization

We questioned \$4,832 in credit card charges made without corresponding TAs. These charges included \$432 in transportation costs, \$3,591 in hotels charges, and \$810 in off-island restaurants. We questioned the validity of these charges because there was no corresponding TAs authorizing these travel expenses. See Table 11.

Table 11: Former SPC’s Travel Related Charges without Supporting Travel Authorization

<u>Transaction Date</u>	<u>Charge</u>	<u>Location</u>	<u>Amount</u>
10/13/2000	Park Avalon	New York	\$ 592
10/13/2000	20/20 Food & Beverage	New York	\$ 45
10/13/2000	Ideal Restaurant	New York	\$ 66
10/14/2000	Sardis	New York	\$ 70
10/18/2000	Hotel Inter-Continental	New York	\$ 10
10/18/2000	Hotel Inter-Continental	New York	\$ 3,226
11/22/2000	Amtrak	North Carolina	\$ 122
12/22/2000	Mandarin	Makati City	\$ 241
12/23/2000	Caesar KTV	Manila	\$ 36
4/27/2001	First Union Travel	Tulsa	\$ 310
2/6/2002	Hotel Res Network	Dallas	\$ 115
Total			\$ 4,832

Questionable Miscellaneous Charges

The former SPC had 14 questionable charges that appeared personal in nature amounting to \$2,195. Examples of the questionable charges include:

- Clothing/Shoes: One charge of \$100 for Old Navy.
- Duty Free Establishments: Two charges of \$230 at Free Duty in Tung Chung.
- Audio/Visual: One charge of \$52 at Friendship Camera & AV.
- Unknown: Four charges in which the descriptions were indicated in the credit card statements with asterisks amounting to \$409. We were unable to ascertain the details of the asterisk charges.
- Uncategorized Charges: Six uncategorized charges of \$1,405 at Sansar Bridge LTD (\$81), Jerry Crow (\$20), Radisson Lax (\$14), Ikaya Shinjyukunishigu (\$315), Cost-U-Less (\$810), and a charge indicated as “Tamuning” (\$165).

Former Business Development Manager

Between October 2000 and April 2003, the former Business Development Manager (former BDM) charged \$54,807 to his GEDCA credit card. Of this amount, we questioned a total of \$4,036 in charges, specifically \$440 at local restaurants, \$48 for local entertainment, \$180 for additional charges made while provided per diem, and \$3,368 in miscellaneous charges. See Table 12 for a breakdown of these charges. See Appendix 10 for details of the former BDM’s charges.

Table 12: Summary of Business Development Manager’s Credit Card Charges

Business Development Manager’s Expenses	Total Credit Card Charges	Questionable and Abusive Costs
Total for Local Meals and Entertainment	\$ 487.57	\$ 487.57
Total for Travel Related Expenses	\$ 7,714.77	\$ 146.03
Total for Off-Island Meals and Entertainment	\$ 34.43	\$ 34.43
Total for Miscellaneous Charges	\$ 46,570.36	\$ 3,368.19
Grand Total	\$ 54,807.13	\$ 4,036.22

Reimbursements to GEDCA

As of September 2003, the former BDM reimbursed GEDCA for only a total of \$674, consisting of \$528 for his personal credit card charges and \$146 deducted from his paycheck.

Meals and Entertainment

The former BDM made five charges amounting to \$488 for local meals and entertainment. There was no documentation to determine whether these were appropriate and legitimate expenses. Again, it appeared that any kind of discussion dealing with GEDCA required an entertainment expense of some kind.

The one-time charges at local restaurants were at Lonestar (\$138), Shirley’s Coffee Shop (\$87), Jamaican Grill (\$58), and Kobe Restaurant (\$157). There was one entertainment charge at Central Lanes for \$48.

Travel Authorizations and Credit Card Charges for Additional Expenses

We identified two TAs for the former BDM between fiscal years 2001 through 2004 and found \$5,211 was spent for transportation and \$5,100 was provided for per diem. After comparing these amounts to total credit card charges made during the same period of time, we questioned a total of \$180 in charges. These charges included \$146 in hotel charges and \$34 in off-island restaurant charges. These charges were questionable because the former BDM charged his credit card for additional travel expenditures even though he received per diem. See details below for the additional credit card charges.

- Between April 22, 2001 and May 5, 2001, the former BDM traveled to Tustin, California and Cleveland, Ohio and was paid \$1,950 in per diem, but charged \$34 at Luby’s Cafeteria.
- Between March 9, 2002 and March 30, 2002, the former BDM traveled to New Hampshire and Dallas and was paid \$3,150 in per diem, but charged \$146 in additional expenses to his GEDCA credit card. These charges included two hotel charges at the North Conway Grand (\$133) and Bradford Home Suites (\$13).

Questionable Miscellaneous Charges

The former BDM had 34 questionable charges that appeared personal in nature amounting to \$3,368. Examples of the questionable charges include:

- On-line charges: Three charges of \$334 for T. Shipley (\$215), Amazon.com (\$74), and www.platinum-deal.com (\$45). Because of the lack of documentation, we were not able to determine what was ordered.

- Base Exchange: 12 charges amounting to \$1,941 stemmed from military base-exchange purchases, six each at Navy Exchange (\$867) and Guam Main Retail Store (\$1,075).
- Music: One charge for \$108 for music at Stereo 2000 in Dallas, Texas.
- Books: Four purchases of \$169 at Borders Books & Music (\$118), W.H. Smith (\$5), and Bestseller (\$45).
- Department Store: One purchase of \$45 at K-Mart.
- Tools: One purchase of \$135 at the Best American Tools.
- Uncategorized: Nine uncategorized charges of \$298 at Cost U Less (\$105), Mr. Surplus (\$10), Verisign (\$129), Registernow (\$30), and Ace Hardware (\$24).
- Unknown: Three charges of which the descriptions were indicated in credit card statements with asterisks totaling \$337. We were unable to ascertain the details of the asterisk charges.

According to GEDCA officials, the former BDM relocated to the United States mainland and could not be reached for comment.

Former Industry Development Manager

Between October 2000 and October 2002, the former Industry Development Manager (former IDM) charged \$27,834 to her GEDCA credit card. In response to a draft copy of this report that was provided to the former GEDCA Administrator, the former IDM provided supporting documentation, such as expense reports and copies of her receipts. The former IDM also entertained GEDCA clients a total of 18 times charging \$1,583 at local restaurants. Unlike senior management, the former IDM provided expense reports identifying clients and the nature of the entertainment. Although she was able to provide supporting documentation, it appeared however, that any kind of discussion dealing with GEDCA required an entertainment expense of some kind that seemed excessive. See Appendix 11 for details of the former IDM's charges.

Industry Development Manager

Between October 2000 through October 2003, the Industry Development Manager (IDM) charged \$41,051 to his GEDCA credit card. In response to a draft copy of this report that was provided to the former GEDCA Administrator, the IDM provided supporting documentation. The IDM also entertained GEDCA clients a total of six times charging \$807 at local restaurants. Unlike senior management, the IDM provided supporting documentation identifying the clients and nature of the entertainment. Although he was able to provide supporting documentation, it appeared however, that any kind of discussion dealing with GEDCA required an entertainment expense of some kind that seemed excessive. See Appendix 12 for details of the IDM's charges.

Public Finance Officer

Between October 2000 through October 2002, the Public Finance Officer (PFO) charged \$16,015 to her GEDCA credit card. In response to a draft copy of this report that was provided

to the former GEDCA Administrator, the PFO provided supporting documentation. The PFO also entertained GEDCA clients a total of 11 times charging \$1,529 at local restaurants. Unlike senior management, the PFO provided supporting documentation identifying the clients and the nature of the entertainment. She was able to provide supporting documentation, however, it appeared that any kind of discussion dealing with GEDCA required an entertainment expense of some kind that seemed excessive. See Appendix 13 for details of the Public Finance Officer's charges.

Travel Policy

Business Class Travel Allowed

Section IV.3 of the GEDCA Travel Policy states that the prime consideration for selection of vendors for airline, hotel, car rental, etc., should be the lowest cost to GEDCA and the reliability of the vendor. In 1995, the Board amended the policy and authorized (1) GEDCA staff and board members to upgrade to business class for off-island travel,⁷ and (2) off-island travel for the employees of GEDCA's subsidiaries and government of Guam officials and such travel under the GEDCA Travel Policy.⁸

Based on our review, we noted that from fiscal years 2001 through 2004, GEDCA issued 150 travel authorizations, of which 47 authorized business class fares, 99 authorized economy class fares, and four TAs indicated no airfare was paid. Transportation allowances for the 47 business fares amounted to \$174,632, while the 99 economy fares totaled \$151,451. Business fares averaged \$3,716 per traveler per trip, while the economy fares averaged \$1,530 per traveler per trip. The difference between the average business class fare and the average economy class fare was \$2,186 per traveler per trip.

Additionally, we found 16 airline credit card charges for airfare in excess of \$4,000 of which 6 did not have corresponding TAs. Our research of airline fares shows this is indicative of business class airfares.⁹ Of the charges in excess of \$4,000, the former Chief Financial Officer charged \$17,517 (four charges), and the former Business Development Manager charged \$8,150 (two charges). Therefore, total business fares may have amounted to \$200,299. If the 47 business class trips and 6 credit card charges over \$4,000 not included in the travel authorizations, utilized economy class fares, GEDCA would have realized a total savings of \$115,858.¹⁰

We recommend the GEDCA Board of Directors abolish the current travel policy of allowing business class upgrades and specify in its credit card policy related to travel that the prime consideration for selection of travel agents, airline, hotels, car rentals, etc., should be the lowest cost to GEDCA as well as a rotation of vendors.

Non-GEDCA Employees Allowed to Travel at GEDCA Expense

We found that 26 non-GEDCA employees from six different government departments and agencies traveled at GEDCA expense of \$71,416 between fiscal years 2001 through 2004. Of the 26 non-GEDCA employees, eight traveled business class.

⁷ December 14, 1995, GEDCA Regular Board Meeting, Air Travel Policy, §16.

⁸ June 8, 1995, GEDCA Regular Board Meeting, Travel Policy Charges, §10.

⁹ Documentation of the charges were unavailable and the class of travel could not be determined, therefore, business class travel was determined judgmentally based on the cost of airfare.

¹⁰ Fifty-three business class trips at \$2,186.

- Eight TAs authorized business class travel for non-GEDCA employees from March 2001 to July 2002, including the Governor of Guam; Governor's Security; Governor's Staff Assistant; a daughter of the Governor, identified as a Special Assistant; Director of Bureau of Planning; a Police Officer II; Attorney General; and the Director of the Department of Administration.
- Six TAs authorized employees at the Attorney General's Office to travel at GEDCA's expense for a total of \$23,308. The travelers included the Assistant Attorney General (three TAs), Acting Deputy Attorney General (one TA), Attorney General (one TA), and Legal Counsel (one TA).
- Ten TAs authorized employees of the Governor's Office to travel at GEDCA's expense for a total of \$21,529. The travelers included the former Governor of Guam (four TAs); the current Governor of Guam (one TA); Governor's security (two TAs); a Staff Assistant (one TA); a daughter of the Governor, identified as a Special Assistant (one TA); and an Executive Assistant (one TA).
- Two TAs authorized the Director of the Bureau of Planning (BOP) costing \$10,692, and another TA costing \$5,361, while he was the Director of the Department of Administration (DOA) four months later.
- Five TAs authorized employees at the Department of Revenue and Taxation costing \$7,013. The employees included the Acting Deputy Tax Commissioner (one TA), an Insurance Specialist (two TAs), and Tax Specialist (two TAs).
- Two TAs for Guam Police Department officers costing \$3,513.

See Appendix 14 and 15 for listing of the non-GEDCA employees and whether they traveled business or economy class.

Although GEDCA policy allowed business class airfare and travel expenses for both GEDCA and non-GEDCA employees, the policy does not promote the most efficient use of GEDCA resources. According to GEDCA, business class seats are obtained only when economy class seats are not available. However, business class seats would not be necessary if the trips were properly planned.

Internal Control Enforcement Deficiencies

The Administrator stated he saw the complete lack of credit card controls as soon as he assumed his responsibilities at GEDCA and initiated policies to control uses and potential misuse of the cards. Specifically, he reverted custody of the credit cards from the cardholders to the accounting department and required the cards to be signed out before off-island travel. The Administrator also initiated credit card procedures that were approved by the new Board in April 2003. He said that because policies have been initiated, he feels the cards will be controlled and the misuse we have seen in the past will cease.

To ensure that the policies were indeed controlling credit card use, we tested 30 post-Typhoon Pongsona credit card transactions totaling \$25,846.¹¹ We found that GEDCA did not adequately support credit card charges and did not follow procurement procedures consistent with promoting fair and open competition by determining the best value by soliciting three quotes. However, with the exception of four purchases¹², we determined that the types of purchases were for valid purposes. These charges were for airlines, hotels, communications, and office supplies.

Of the 30 transactions, we found \$17,598 in unsupported costs. Specifically, we found that nine out of 19 procurement related charges (equipment, supplies, and materials) totaling \$10,884 were unsupported. Of the nine out of 19 transactions, four (or \$4,641) did not have any expense reports, receipts, or supporting documentation while five (or \$6,243) did not attain the best value by soliciting three quotes.

We also found that four out of 11 travel-related charges totaling \$6,714 did not have any expense reports, receipts, or supporting documentation. See Table 13 for a summary of what was tested and what was not supported.

Table 13: Summary of Detailed Testing

<u>Cost Category</u>	<u>Total Items in Sample</u>	<u>Unsupported Costs</u>
Travel Expenditures	11 Transactions totaling \$11,885	4 Transactions totaling \$6,714
Equipment, Supplies, and Materials	19 Transactions totaling \$13,960	9 Transactions totaling \$10,884
Total Amount	<u>\$25,846</u>	<u>13 Transactions totaling \$17,598</u>

The credit card policy adopted in April 2003 requires a credit card log to document proposed uses of the card and to whom the card is issued after the proposed use has been approved by the Administrator. The current policy also requires three quotes for items in excess of \$500 and monthly expense reports submitted in a timely manner. GEDCA credit cardholders are required to submit their reports within 20 days notice from the Accounting Staff. Enforcement tools incorporated include reimbursement and/or disciplinary action up to termination for unauthorized use of the GEDCA credit card.

Although GEDCA had instituted credit card policies and procedures, GEDCA management and the new Board of Directors did not strictly enforce the policy and were lax in monitoring the credit card program. As a result, credit card charges after December 8, 2002, worth \$17,598, were either improperly procured or unsupported.

While new credit card policies, procedures, and enforcement tools were established, a sound credit card program needs consistent monitoring to ensure compliance with the policies. Enforcement tools are specific penalties and disciplinary actions taken against a cardholder who does not abide by the rules of the GEDCA credit card program. Enforcement tools must be consistently applied.

¹¹ Our testing was limited to transactions after December 8, 2002, because supporting documents for transactions before December 8, 2002 were destroyed during Typhoon Pongsona.

¹² The four purchases were for one airline charge made on February 3, 2003 and three hotel charges made on May 28, 2003, September 10, 2003, and September 18, 2003.

The independent auditors were also unable to substantiate certain credit card charges as evidenced by their qualifications on GEDCA's FY 2002 and 2003 financial audits.

In the FY 2002 financial audit, the report stated, "We were unable to obtain information supporting certain travel expenses and were unable to form an opinion on travel advances net of suspense accounts at \$38,338 and travel and related expenses and \$102,647 at September 30, 2002."

In the FY 2003 financial audit, again the report stated, "We were unable to obtain information supporting certain travel expenses for the years ended September 30, 2003 and 2002. As a result, we are unable to form an opinion on travel advances net of suspense accounts carried at \$0 and \$38,338 and travel and related expenses of \$71,523 and \$102,647 at September 30, 2003 and 2002, respectively."

Recommendations

Recommendation to the Board of Directors of the Guam Economic Development and Commerce Authority:

Abolish the policy of allowing business class upgrades for travel. The prime consideration for selection of travel agents, airline, hotels, car rentals, etc., should be the lowest cost to GEDCA as well as rotation of vendors.

The legislation creating the Office of the Public Auditor requires agencies to submit an action plan to implement audit recommendations within six months after report issuance. Accordingly, our office will be contacting you to provide the target date and title of the official responsible for implementing the recommendations.

The Office of the Public Auditor has referred this report to the Office of the Attorney General for a determination of whether legal action is warranted against these credit cardholders.

We appreciate the cooperation shown by the staff of the Guam Economic Development and Commerce Authority.

OFFICE OF THE PUBLIC AUDITOR



Doris Flores Brooks, CPA, CGFM
Public Auditor

Management Response & OPA Reply

A draft report was provided to the GEDCA Administrator in June 2005. The GEDCA Administrator in turn provided a copy of each section of the report pertaining to the eight out of the nine individuals who had questionable charges. These individuals were the former Chief Financial Officer, former Business Development Director, former Finance and Administration Director, former Special Projects Coordinator, former Industry Development Manager, Industry Development Manager, Public Finance Officer, and Compliance Supervisor. The former Administrator generally concurred with the results of the investigative audit. See Appendix 16 for Management's Response.

Of the nine individuals, only the former Business Development Manager was not provided a copy because he relocated to the United States mainland before the issuance of the preliminary draft report and GEDCA had no forwarding address.

Of the eight individuals who received a copy of their questionable credit card charges, only the former Special Projects Coordinator did not respond.

Four individuals, the former IDM, IDM, PFO, and Compliance Supervisor, were able to provide documentation of their travel and credit card charges; therefore, the draft report was modified to reflect their documentation.

In our draft report, the Compliance Supervisor had three credit card charges, which were subsequently documented by her and therefore not included in the final report.

In his response, the former CFO stated "all the required documents were turned into GEDCA and were available as of December 6, 2002, including the charges which were personal in nature and reimbursed, pursuant to GEDCA's travel and expense policies." As previously stated, the ASO said that credit cardholders were held to a "double standard" as lower level credit cardholders were required to submit expense reports, while senior management often had problems submitting their respective expense reports timely. In fact, senior management's expense reports were only being developed in preparation for the December 2002 audit requested by the former chairman of the Board.

The former CFO also stated "The use of the credit card would account for there being two tickets for the same travel since I had to use my credit card to pay for others, including Mr. Untalan." We modified the report to reflect the airline charges of Mr. Untalan and did not question these charges. See Appendix 17 for a copy of the former CFO's response.

The response from the former BDD was submitted by his attorney. The attorney stated, "Based upon all information I have seen, all GEDCA procurement policies and procedures were followed with respect to the expenses relating to Mr. Carlson as noted in the audit. All of Mr. Carlson's expense reports for the periods in question, containing specific details of the expenses incurred were timely submitted, thoroughly reviewed by the accounting staff and the staff from the administration and operations department." As stated earlier, based on interviews with GEDCA staff, they believed there was a double standard of report submission as well as a climate of abuse amongst senior management because of the nature of their credit card charges, the frequency of their charges, and the lack of timely submission of expense reports by senior management. See Appendix 18 for the response submitted by the former BDD's attorney.

The former FAD stated, “**ALL REPORTS WITH ALL PROPER DOCUMENTATION WERE SUBMITTED ACCORDINGLY, ALONG WITH THE APPROPRIATE AUTHORIZATIONS. ALL INDIVIDUALS COPIED BELOW WILL ATTEST TO THIS.**” As stated previously, the ASO said that credit cardholders were held to a “double standard” of report submission as lower level credit cardholders were required to submit timely expense reports, while senior management often had problems submitting their respective expense reports timely. In fact, senior management’s expense reports were being developed in preparation for the December 2002 audit requested by the former chairman of the Board. See Appendix 19 for the former FAD’s response.

Appendix 1:
Classification of Monetary Amounts

Finding Area	Questionable and Abusive Costs	Unsupported Costs	Funds To Be Put To Better Use
A. Questionable and Abusive Credit Card Charges			
Chief Financial Officer	\$ 106,174		
Business Development Director	\$ 48,567		
Special Projects Coordinator	\$ 31,742		
Finance and Administration Director	\$ 16,030		
Business Development Manager	\$ 4,036		
B. Overall Credit Card Program			
Business Class Travel Allowed			\$ 115,858
C. Internal Control Enforcement Deficiency			
		\$ 17,598	
Total	<u>\$ 206,549</u>	<u>\$ 17,598</u>	<u>\$ 115,858</u>

Appendix 2:**Objective, Scope, and Methodology**

The investigative audit objective was to determine (1) the nature of the GEDCA credit card charges for each cardholder by fiscal year (2) ascertain whether credit card transactions noted in statements are appropriate, supported by receipt or invoice, properly procured, timely reported, and reviewed by a supervisor, and (3) if GEDCA's travel policy promoted a prudent use of government funds. The scope of our investigative audit included a review of GEDCA's credit card statements, GEDCA's travel and credit card policies, travel authorizations, and other relevant documents for fiscal years 2001, 2002, 2003, and 2004. Our review was performed at GEDCA's office in the ITC building in Tamuning, Guam.

The investigative audit methodology included gaining an understanding of the policies, procedures, and applicable laws and regulations regarding GEDCA's credit card and travel programs. We interviewed the Administrator of GEDCA, the Administration and Operations Manager, the Administrative Officer, and the Industry Development Manager and discussed our findings with management to determine whether planned audit procedures were adequate.

We determined that ten GEDCA employees charged \$511,342¹³ to GEDCA credit cards and GEDCA issued 150 travel authorizations totaling \$562,260.¹⁴ We judgmentally selected and tested 30 credit card charges after December 8, 2002 totaling \$25,846 out of a total of 141 charges totaling \$47,401, to determine if credit card charges were for appropriate government purposes, supported by a receipt or invoice, properly procured, supported by a travel authorization, timely reported, and reviewed by management.

Our investigative audit was conducted in accordance with the standards for performance audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States of America. Accordingly, we obtained an understanding and performed an evaluation of the internal controls of the credit card program at GEDCA. We included tests of records and other auditing procedures that we considered necessary under the circumstances.

Internal control weaknesses were identified and are discussed in the Results of Investigative Audit section of the report.

SCOPE LIMITATION

Supporting documents prior to December 8, 2002 were destroyed in Typhoon Pongsona. On December 31, 2002, the GEDCA Board of Directors passed Resolution 02-101 ratifying all credit card statements, travel authorizations, and expense reports for fiscal years 1999 through 2002. Based on this scope limitation, documents available for testing were limited to those received by the accounting department subsequent to December 8, 2002. However, we were able to review copies of credit card statements and travel authorizations maintained by GEDCA for these periods.

¹³ Between October 1, 2000 through March 30, 2004.

¹⁴ Between October 1, 2000 through September 30, 2004.

Appendix 3: Prior Audit Coverage

We reviewed the following prior audits of the GEDCA credit card program:

Office of the Public Auditor (OPA)

OPA Report No. PA-01-98, *Management Audit of the Guam Economic Development Authority*, was issued in October 1998 and covered fiscal years 1995 through 1998.

OPA's findings included:

1. Inadequate Documentation for Expenditures—GEDCA agreed with this finding. The primary cause was related to the untimely filing of expense/travel reports. To prevent reoccurrence, an individual was assigned to monitor the reports and collect all documentation on a monthly basis.
2. Unauthorized Users—GEDCA agreed with this finding. An individual was asked to replace the Administrator the night before he was scheduled to fly out on a trade mission. This happened on a weekend, so there was no way to replace the travel authorizations and advances, so this individual was given authorization to utilize the Administrator's credit card from the trip.
3. No Management Oversight—GEDCA disagreed with this finding. The Board of Directors reviews the financial statements monthly via the Monthly Agency Report. The report contains a budget-to-expense analysis submitted by the Accounting Division. This method adequately addresses the Board's oversight.

External Audit

GEDCA's FY 2002 and 2003 financial audit reports were qualified because the external auditors were unable to obtain information supporting certain travel expenses and were unable to form an opinion on travel advances net of suspense accounts carried at \$0 and \$38,338 and travel and related expenses of \$71,523 and \$102,647 at September 30, 2003 and 2002, respectively. In 2002, \$74,484 out of the \$102,647 qualification was for credit card purchases, while the remaining amounts were for other travel related expenses. In 2003, \$2,642 out of the \$71,523 qualification was for credit card purchases, while the remaining amounts were for other travel related expenses.

Management Letter

In November 2004, external auditors issued a Management Letter to GEDCA regarding their Credit Card Policy—Receipts. Their finding dealt with the lack of documentary evidence, other than a credit card statement, to substantiate the business related nature of the expenditures. GEDCA responded they no longer have credit cards and corrective measures were to be undertaken to include enforcement of GEDCA's travel letter.

Appendix 4:
Breakdown of Expenses by Meals & Entertainment, Travel, and Other

Cardholder	<u>Meals and Entertainment</u>				Total
	FY 2001	FY 2002	FY 2003	FY 2004	
Chief Financial Officer	\$ 15,286	\$ 12,286	\$ 2,933	\$ -	\$ 30,505
Special Projects Coordinator	\$ 12,603	\$ 12,625	\$ 757	\$ -	\$ 25,985
Business Development Director	\$ 7,735	\$ 7,606	\$ 3,818	\$ -	\$ 19,159
Finance and Administration Director	\$ 8,368	\$ 892	\$ 1,622	\$ -	\$ 10,882
Former Industry Development Manager	\$ 1,985	\$ 1,107	\$ -	\$ -	\$ 3,091
Public Finance Officer	\$ 225	\$ 1,172	\$ 357	\$ -	\$ 1,754
Former Industry Development Manager (2)	\$ 303	\$ 533	\$ 501	\$ -	\$ 1,337
Business Development Manager	\$ 307	\$ 157	\$ 58	\$ -	\$ 522
Administrator	\$ -	\$ -	\$ 339	\$ -	\$ 339
Compliance Supervisor	\$ 244	\$ -	\$ -	\$ -	\$ 244
Total-Meals and Entertainment	\$ 47,056	\$ 36,379	\$ 10,384	\$ -	\$ 93,818

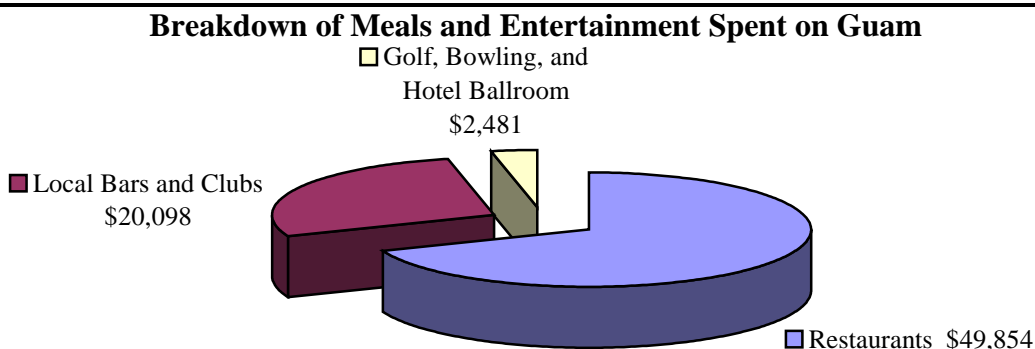
Cardholder	<u>Travel Related Expenses</u>				Total
	FY 2001	FY 2002	FY 2003	FY 2004	
Chief Financial Officer	\$ 36,778	\$ 44,472	\$ 30,335	\$ 2,310	\$ 113,895
Business Development Director	\$ 19,925	\$ 25,368	\$ 7,372	\$ 1,049	\$ 53,714
Special Projects Coordinator	\$ 6,717	\$ 9,594	\$ 1,929	\$ -	\$ 18,240
Former Industry Development Manager (2)	\$ 2,516	\$ 9,259	\$ 2,039	\$ 158	\$ 13,972
Former Industry Development Manager	\$ 5,189	\$ 6,034	\$ -	\$ -	\$ 11,223
Public Finance Officer	\$ 4,516	\$ 2,347	\$ 2,905	\$ -	\$ 9,768
Finance and Administration Director	\$ 6,532	\$ 909	\$ 788	\$ -	\$ 8,228
Business Development Manager	\$ 3,165	\$ 1,702	\$ 2,848	\$ -	\$ 7,715
Administrator	\$ -	\$ -	\$ 6,994	\$ 535	\$ 7,529
Compliance Supervisor	\$ -	\$ -	\$ -	\$ -	\$ -
Total-Travel Related Expenses	\$ 85,337	\$ 99,685	\$ 55,210	\$ 4,053	\$ 244,284

Cardholder	<u>Other Charges</u>				Total
	FY 2001	FY 2002	FY 2003	FY 2004	
Business Development Manager	\$ 22,038	\$ 12,966	\$ 11,566	\$ -	\$ 46,570
Chief Financial Officer	\$ 14,650	\$ 9,397	\$ 6,959	\$ 75	\$ 31,081
Former Industry Development Manager (2)	\$ 18,871	\$ 5,931	\$ 940	\$ -	\$ 25,743
Finance and Administration Director	\$ 22,343	\$ 1,402	\$ 178	\$ -	\$ 23,923
Former Industry Development Manager	\$ 9,875	\$ 3,645	\$ -	\$ -	\$ 13,520
Business Development Director	\$ 1,747	\$ 6,888	\$ 4,556	\$ 165	\$ 13,356
Special Projects Coordinator	\$ 4,612	\$ 1,838	\$ 1,342	\$ -	\$ 7,791
Public Finance Officer	\$ 4,132	\$ 118	\$ 244	\$ -	\$ 4,493
Administrator	\$ -	\$ -	\$ 465	\$ -	\$ 465
Compliance Supervisor	\$ 54	\$ -	\$ -	\$ -	\$ 54
Other Bank Charges	\$ 702	\$ 592	\$ 828	\$ 4,120	\$ 6,242
Total-Other Charges	\$ 99,023	\$ 42,778	\$ 27,079	\$ 4,360	\$ 173,240

Total by Fiscal Years **\$ 231,416** **\$ 178,841** **\$ 92,672** **\$ 8,412** **\$ 511,342**

Appendix 5:

Breakdown of Guam Meals and Entertainment



Local Restaurants

Based on our analysis, GEDCA credit cardholders charged a total of \$49,854 at local restaurants between fiscal years 2001 through 2004. The top 10 local restaurants with the most frequent charges are listed in the table below:

Top Ten Guam Restaurants with Most Frequent Charges

	<u>Restaurant</u>	<u>Amount</u>	<u>Frequency</u>	<u>Average per Visit</u>
1.	Marty's Restaurant	\$ 9,526	108	\$ 88
2.	Lonestar	\$ 2,477	31	\$ 80
3.	Shirley's Coffee Shop	\$ 2,738	29	\$ 94
4.	Guam Hilton	\$ 4,057	21	\$ 193
5.	Hyatt	\$ 3,511	20	\$ 176
6.	Capricciosa	\$ 1,768	15	\$ 118
7.	PIC – Bistro	\$ 2,018	14	\$ 144
8.	Oriental Restaurant	\$ 1,012	13	\$ 78
9.	VIP House	\$ 2,827	11	\$ 257
10.	Genji	\$ 1,565	9	\$ 174

Local Clubs, Bowling, Ballrooms, and Golf

Aside from local restaurants, GEDCA credit cardholders also made 84 charges totaling \$22,579 at local clubs, bowling alleys, ballrooms, and golfing establishments. The following shows the top ten clubs that GEDCA credit cardholders charged the most:

Top Ten Guam Clubs with Most Frequent Charges

	<u>Club</u>	<u>Amount</u>	<u>Frequency</u>	<u>Average per Visit</u>
1.	Liaison Karaoke Box	\$ 11,023	23	\$ 479
2.	Kitano Zaka	\$ 2,496	2	\$ 1,248
3.	Mac & Marti's	\$ 900	9	\$ 100
4.	Pelin's Place	\$ 760	4	\$ 190
5.	Akasaka Rikyu	\$ 729	7	\$ 104
6.	C'est La Vie	\$ 671	2	\$ 336
7.	Osung Karaoke	\$ 600	2	\$ 300
8.	Night Shift Karaoke Club	\$ 581	5	\$ 116
9.	Fishbowl	\$ 513	4	\$ 128
10.	Alindog Karaoke Lounge	\$ 441	2	\$ 221

Appendix 6:**Detailed Credit Card Charges (Chief Financial Officer)**

Local Restaurants (Chief Financial Officer)

Date	Description	Amount	Questionable and Abusive Cost
9/15/2000	Nakashima Ent. Inc	\$ 192.30	\$ 192.30
9/19/2000	Marty's Restaurant	\$ 36.10	\$ 36.10
9/21/2000	Issin Restaurant	\$ 19.00	\$ 19.00
9/21/2000	Issin Restaurant	\$ 416.38	\$ 416.38
9/22/2000	Nakashima Ent. Inc	\$ 172.40	\$ 172.40
9/26/2000	Oriental Restaurant	\$ 83.00	\$ 83.00
9/28/2000	PIC - Bistro	\$ 96.55	\$ 96.55
10/3/2000	Quizno's Sub	\$ 118.27	\$ 118.27
10/11/2000	Shirley's Coffee Shop	\$ 81.10	\$ 81.10
11/6/2000	Sakura Noodle House	\$ 49.30	\$ 49.30
11/14/2000	Oriental Restaurant	\$ 35.00	\$ 35.00
11/16/2000	Siam Cuisine Restaurant	\$ 40.00	\$ 40.00
11/17/2000	Shirley's Coffee Shop	\$ 61.80	\$ 61.80
11/24/2000	Shirley's Coffee Shop	\$ 54.80	\$ 54.80
11/28/2000	Shirley's Coffee Shop	\$ 64.50	\$ 64.50
11/30/2000	Zuilin Restaurant	\$ 157.50	\$ 157.50
12/5/2000	Guam Hilton	\$ 43.50	\$ 43.50
12/16/2000	Lonestar	\$ 35.19	\$ 35.19
12/17/2000	Shirley's Coffee Shop	\$ 85.65	\$ 85.65
12/20/2000	Lonestar	\$ 23.02	\$ 23.02
12/29/2000	Seahorse Restaurant	\$ 93.50	\$ 93.50
12/31/2000	Issin Restaurant	\$ 413.00	\$ 413.00
1/4/2001	Guam Hilton	\$ 154.75	\$ 154.75
1/10/2001	Guam Hilton	\$ 174.23	\$ 174.23
1/17/2001	Fuji Ichiban	\$ 54.75	\$ 54.75
1/17/2001	Fuji Ichiban	\$ 56.25	\$ 56.25
1/20/2001	Nakashima Ent. Inc	\$ 126.00	\$ 126.00
1/30/2001	Seahorse Restaurant	\$ 30.25	\$ 30.25
2/2/2001	Sante Fe Bar & Grill	\$ 143.25	\$ 143.25
2/5/2001	Guam Hilton	\$ 275.00	\$ 275.00
2/15/2001	Guam Dai-Ichi	\$ 155.50	\$ 155.50
2/21/2001	Fuji Ichiban	\$ 45.50	\$ 45.50
2/22/2001	Janz By The Sea	\$ 63.50	\$ 63.50
2/23/2001	Cyberup Café	\$ 48.68	\$ 48.68
2/26/2001	Marty's Restaurant	\$ 59.00	\$ 59.00
2/28/2001	VIP House	\$ 52.00	\$ 52.00
3/4/2001	Mini Café	\$ 132.50	\$ 132.50
3/10/2001	Guam Hilton	\$ 368.65	\$ 368.65
3/17/2001	Cyberup Café	\$ 127.75	\$ 127.75
3/24/2001	Lonestar	\$ 39.99	\$ 39.99
3/25/2001	Capricciosa	\$ 135.15	\$ 135.15
3/27/2001	Westin Resort Guam	\$ 249.68	\$ 249.68
3/31/2001	Guam Hilton	\$ 55.33	\$ 55.33

Local Restaurants (Chief Financial Officer)

Date	Description	Amount	Questionable and Abusive Cost
4/13/2001	Shirley's Coffee Shop	\$ 142.85	\$ 142.85
4/24/2001	Marty's Restaurant	\$ 17.90	\$ 17.90
4/24/2001	Marty's Restaurant	\$ 41.95	\$ 41.95
4/24/2001	Niji Restaurant	\$ 583.85	\$ 583.85
4/25/2001	Old Hagatna Bar & Grill	\$ 54.75	\$ 54.75
4/25/2001	Islands Fisherman Rest	\$ 114.85	\$ 114.85
4/28/2001	Marty's Restaurant	\$ 53.10	\$ 53.10
4/30/2001	Genji	\$ 155.45	\$ 155.45
5/3/2001	Lonestar	\$ 149.65	\$ 149.65
5/5/2001	The Westin Resort	\$ 199.00	\$ 199.00
5/8/2001	Oriental Restaurant	\$ 66.00	\$ 66.00
5/27/2001	Issin Restaurant	\$ 91.00	\$ 91.00
5/31/2001	Domino's Pizza	\$ 90.92	\$ 90.92
5/31/2001	Genji	\$ 193.72	\$ 193.72
5/31/2001	Islander Terrace	\$ 88.05	\$ 88.05
6/1/2001	Marty's Restaurant	\$ 62.75	\$ 62.75
6/7/2001	Holiday Inn	\$ 96.00	\$ 96.00
6/11/2001	Shirley's Coffee Shop	\$ 69.60	\$ 69.60
6/17/2001	Shirley's Coffee Shop	\$ 159.65	\$ 159.65
6/18/2001	Islander Terrace	\$ 342.25	\$ 342.25
6/24/2001	Genji	\$ 399.28	\$ 399.28
7/16/2001	Shirley's Coffee Shop	\$ 70.80	\$ 70.80
7/27/2001	Marty's Restaurant	\$ 138.80	\$ 138.80
7/31/2001	Quizno's Sub	\$ 65.72	\$ 65.72
8/8/2001	VIP House	\$ 239.00	\$ 239.00
8/8/2001	Lonestar	\$ 106.87	\$ 106.87
8/15/2001	Shirley's Coffee Shop	\$ 247.60	\$ 247.60
8/15/2001	Genji	\$ 44.35	\$ 44.35
8/22/2001	Capricciosa	\$ 166.47	\$ 166.47
8/30/2001	Oriental Restaurant	\$ 97.00	\$ 97.00
9/4/2001	Alupang Beach Tower	\$ 32.85	\$ 32.85
9/7/2001	Marty's Restaurant	\$ 83.75	\$ 83.75
9/7/2001	Marty's Restaurant	\$ 254.70	\$ 254.70
9/11/2001	Marty's Restaurant	\$ 74.45	\$ 74.45
9/18/2001	Oriental Restaurant	\$ 74.50	\$ 74.50
9/21/2001	Marty's Restaurant	\$ 46.50	\$ 46.50
9/21/2001	PIC - Bistro	\$ 208.20	\$ 208.20
10/3/2001	Marty's Restaurant	\$ 74.30	\$ 74.30
10/4/2001	VIP House	\$ 550.00	\$ 550.00
11/5/2001	Shirley's Coffee Shop	\$ 102.15	\$ 102.15
11/6/2001	Alize	\$ 44.27	\$ 44.27
11/7/2001	Alize	\$ 72.45	\$ 72.45
11/8/2001	Marty's Restaurant	\$ 41.80	\$ 41.80
11/10/2001	Lonestar	\$ 36.46	\$ 36.46
11/16/2001	PIC - Bistro	\$ 97.04	\$ 97.04
11/25/2001	Alize	\$ 208.00	\$ 208.00
12/13/2001	Alize	\$ 88.54	\$ 88.54

Local Restaurants (Chief Financial Officer)

Date	Description	Amount	Questionable and Abusive Cost
12/17/2001	Alize	\$ 209.48	\$ 209.48
12/19/2001	Shirley's Coffee Shop	\$ 59.50	\$ 59.50
12/27/2001	PIC - Bistro	\$ 133.94	\$ 133.94
1/2/2002	Marty's Restaurant	\$ 48.45	\$ 48.45
1/5/2002	Lonestar	\$ 50.69	\$ 50.69
1/14/2002	PIC - Bistro	\$ 287.36	\$ 287.36
1/19/2002	Lonestar	\$ 61.43	\$ 61.43
2/24/2002	Alupang Beach Tower	\$ 45.00	\$ 45.00
3/22/2002	Genji	\$ 50.89	\$ 50.89
3/25/2002	Guam Hilton	\$ 328.14	\$ 328.14
4/1/2002	Oriental Restaurant	\$ 76.00	\$ 76.00
4/3/2002	Genji	\$ 110.05	\$ 110.05
4/5/2002	PIC - Bistro	\$ 43.49	\$ 43.49
4/24/2002	Islander Terrace	\$ 64.18	\$ 64.18
4/24/2002	Lonestar	\$ 187.39	\$ 187.39
4/25/2002	Islander Terrace	\$ 227.80	\$ 227.80
5/6/2002	Alupang Beach Tower	\$ 43.90	\$ 43.90
5/13/2002	Marty's Restaurant	\$ 32.85	\$ 32.85
5/27/2002	Hyatt	\$ 103.00	\$ 103.00
6/7/2002	Marty's Restaurant	\$ 79.50	\$ 79.50
6/15/2002	Genji	\$ 272.00	\$ 272.00
6/25/2002	PIC - Bistro	\$ 127.92	\$ 127.92
6/25/2002	Hyatt	\$ 181.05	\$ 181.05
6/30/2002	Shirley's Coffee Shop	\$ 151.95	\$ 151.95
7/1/2002	Hyatt	\$ 92.80	\$ 92.80
7/2/2002	VIP House	\$ 95.00	\$ 95.00
7/7/2002	Shirley's Coffee Shop	\$ 107.30	\$ 107.30
7/8/2002	Shirley's Coffee Shop	\$ 459.25	\$ 459.25
7/10/2002	Hyatt	\$ 95.80	\$ 95.80
7/12/2002	Lonestar	\$ 134.06	\$ 134.06
7/14/2002	Shirley's Coffee Shop	\$ 79.20	\$ 79.20
7/14/2002	Hyatt	\$ 224.60	\$ 224.60
7/14/2002	Hyatt	\$ 19.25	\$ 19.25
7/28/2002	Shirley's Coffee Shop	\$ 128.75	\$ 128.75
8/1/2002	Guam Hilton	\$ 318.77	\$ 318.77
8/5/2002	Guam Hilton	\$ 60.11	\$ 60.11
8/12/2002	Guam Hilton	\$ 88.73	\$ 88.73
8/16/2002	Hanaya Rest	\$ 147.30	\$ 147.30
8/19/2002	PIC - Bistro	\$ 92.78	\$ 92.78
8/21/2002	Shirley's Coffee Shop	\$ 83.45	\$ 83.45
8/22/2002	Old Hagatna Bar & Grill	\$ 56.50	\$ 56.50
8/24/2002	Joinus Restaurant	\$ 300.00	\$ 300.00
9/5/2002	Guam Dai-Ichi	\$ 50.60	\$ 50.60
9/15/2002	Shirley's Coffee Shop	\$ 123.80	\$ 123.80
9/16/2002	Denny's	\$ 63.45	\$ 63.45
9/19/2002	PIC - Bistro	\$ 106.93	\$ 106.93
9/22/2002	Oriental Restaurant	\$ 158.75	\$ 158.75

Local Restaurants (Chief Financial Officer)

Date	Description	Amount	Questionable and Abusive Cost
9/24/2002	Old Hagatna Bar & Grill	\$ 83.25	\$ 83.25
9/25/2002	Lonestar	\$ 79.46	\$ 79.46
10/9/2002	Capricciosa	\$ 150.33	\$ 150.33
10/12/2002	Marty's Restaurant	\$ 51.80	\$ 51.80
10/15/2002	Lonestar	\$ 84.24	\$ 84.24
10/17/2002	Hyatt	\$ 51.10	\$ 51.10
11/14/2002	Fuji Ichiban	\$ 51.75	\$ 51.75
11/16/2002	Guam Plaza Hotel	\$ 246.15	\$ 246.15
11/20/2002	Lonestar	\$ 67.22	\$ 67.22
11/21/2002	Hyatt	\$ 104.35	\$ 104.35
11/21/2002	PIC - Bistro	\$ 158.06	\$ 158.06
11/22/2002	Marty's Restaurant	\$ 212.20	\$ 212.20
11/28/2002	Oriental Restaurant	\$ 100.50	\$ 100.50
12/6/2002	Outrigger Guam Resort	\$ 137.00	\$ 137.00
12/26/2002	Lonestar	\$ 74.45	\$ 74.45
12/27/2002	Oriental Restaurant	\$ 53.00	\$ 53.00
1/2/2003	Marty's Restaurant	\$ 52.30	\$ 52.30
1/7/2003	Guam Hilton	\$ 60.12	\$ 60.12
1/14/2003	Capricciosa	\$ 132.78	\$ 132.78
Total for Local Restaurants		\$ 19,371.91	\$ 19,371.91

Local Entertainment (Chief Financial Officer)

Date	Description	Amount	Questionable and Abusive Cost
1/18/2001	Liaison Karaoke Box	\$ 580.50	\$ 580.50
1/30/2001	Talofofo Golf Resort	\$ 350.80	\$ 350.80
4/20/2001	Liaison Karaoke Box	\$ 1,209.00	\$ 1,209.00
4/27/2001	Liaison Karaoke Box	\$ 1,110.00	\$ 1,110.00
5/4/2001	Liaison Karaoke Box	\$ 873.50	\$ 873.50
6/1/2001	Night Shift Karaoke Club	\$ 182.00	\$ 182.00
6/22/2001	Liaison Karaoke Box	\$ 510.00	\$ 510.00
11/14/2001	Liaison Karaoke Box	\$ 368.00	\$ 368.00
1/24/2002	Akasaka Rikyu	\$ 173.00	\$ 173.00
2/2/2002	Akasaka Rikyu	\$ 101.50	\$ 101.50
2/6/2002	Akasaka Rikyu	\$ 69.50	\$ 69.50
2/23/2002	Diamond Club	\$ 275.00	\$ 275.00
3/27/2002	Night Shift Karaoke Club	\$ 56.00	\$ 56.00
3/27/2002	Night Shift Karaoke Club	\$ 10.00	\$ 10.00
6/1/2002	Akasaka Rikyu	\$ 106.00	\$ 106.00
7/18/2002	Akasaka Rikyu	\$ 66.00	\$ 66.00
8/16/2002	Night Shift Karaoke Club	\$ 100.00	\$ 100.00
8/29/2002	Night Shift Karaoke Club	\$ 233.00	\$ 233.00
8/29/2002	Pelin's Place	\$ 531.00	\$ 531.00
9/4/2002	Mac & Marti's	\$ 307.10	\$ 307.10
12/12/2002	Liaison Karaoke Box	\$ 121.00	\$ 121.00
12/23/2002	Liaison Karaoke Box	\$ 121.00	\$ 121.00

Local Entertainment (Chief Financial Officer)

Date	Description	Amount	Questionable and Abusive Cost
Total for Local Entertainment		\$ 7,453.90	\$ 7,453.90

Travel Related Expenses (Chief Financial Officer)

Date	Description	Amount	Questionable and Abusive Cost
12/8/2000	Northwest Airlines	\$ 2,760.16	\$ 2,760.16
12/8/2000	Northwest Airlines	\$ 2,760.16	
2/6/2001	Continental	\$ 238.36	\$ 238.36
2/6/2001	Continental	\$ 238.36	
2/6/2001	Continental	\$ 132.36	\$ 132.36
2/8/2001	Aquarius Beach Tower	\$ 108.90	\$ 108.90
2/8/2001	Dollar Rent A Car	\$ 45.00	\$ 45.00
2/14/2001	Northwest Airlines	\$ 699.96	\$ 699.96
3/6/2001	Continental	\$ 1,295.97	\$ 1,295.97
3/6/2001	Continental	\$ 1,295.97	
3/8/2001	Continental	\$ 2,037.99	
3/9/2001	Continental	\$ 241.50	\$ 241.50
3/20/2001	Northwest Airlines	\$ 1,749.96	\$ 1,749.96
6/22/2001	Northwest Airlines	\$ 4,270.96	
6/23/2001	Continental	\$ 316.45	
6/26/2001	Cavanaugh's Terrace G	\$ 57.84	\$ 57.84
6/28/2001	Cavanaugh's Terrace G	\$ 763.55	\$ 763.55
7/1/2001	Hilton	\$ 957.24	\$ 957.24
7/4/2001	Continental	\$ 2,088.43	\$ 2,088.43
7/4/2001	Continental	\$ 2,088.43	
7/5/2001	Budget Rent A Car	\$ 226.85	\$ 226.85
7/7/2001	Hilton	\$ 185.89	
7/8/2001	Hilton	\$ 516.28	\$ 516.28
7/10/2001	Ala Moana Hotel	\$ 458.61	\$ 458.61
7/27/2001	Northwest Airlines	\$ 2,547.20	\$ 2,547.20
7/31/2001	Northwest Airlines	\$ 3,850.46	\$ 3,850.46
7/31/2001	Northwest Airlines	\$ 1,686.72	\$ 1,686.72
7/31/2001	Northwest Airlines	\$ 3,157.96	\$ 3,157.96
9/21/2001	Continental	\$ 4,273.96	
9/25/2001	Four Points HTL	\$ 469.19	\$ 469.19
11/8/2001	Continental	\$ 4,075.06	\$ 4,075.06
11/15/2001	Continental	\$ 916.29	\$ 916.29
11/23/2001	Continental	\$ 597.48	
11/30/2001	Hilton	\$ 1,157.09	\$ 1,157.09
11/30/2001	Hilton	\$ 1,463.82	\$ 1,463.82
11/30/2001	Hertz Rent A Car	\$ 402.59	
12/3/2001	Hawaiian Airlines	\$ 100.00	\$ 100.00
12/3/2001	United - SFO Intl Ar	\$ 1,467.26	\$ 1,467.26
12/3/2001	Park Hyatt	\$ 1,024.07	\$ 1,024.07
12/6/2001	Park Hyatt	\$ 2,435.54	\$ 2,435.54
12/9/2001	Continental	\$ 1,068.66	\$ 1,068.66

Travel Related Expenses (Chief Financial Officer)

Date	Description	Amount	Questionable and Abusive Cost
12/9/2001	Smarte Carte	\$ 2.00	\$ 2.00
2/5/2002	Continental	\$ 4,095.86	
2/9/2002	Northwest Airlines	\$ 398.00	
2/9/2002	Northwest Airlines	\$ 4,287.86	
2/15/2002	Southwest Airlines	\$ 205.50	
2/15/2002	Southwest Airlines	\$ 205.50	
2/19/2002	Hotel Inter-Continental	\$ 1,412.21	\$ 1,412.21
2/21/2002	Smarte Carte	\$ 2.00	\$ 2.00
4/8/2002	Continental	\$ 4,279.36	
4/8/2002	Continental	\$ 4,279.36	
4/9/2002	Airport Hilton	\$ 189.96	\$ 189.96
4/11/2002	Airport Hilton	\$ 221.97	\$ 221.97
4/11/2002	Airport Hilton	\$ 3.48	\$ 3.48
4/13/2002	The Plaza Hotel	\$ 14.07	\$ 14.07
4/13/2002	The Plaza Hotel	\$ 748.89	\$ 748.89
4/15/2002	Hilton	\$ 1,170.12	\$ 1,170.12
4/16/2002	Hilton	\$ 539.11	\$ 539.11
4/18/2002	Hilton	\$ 793.04	\$ 793.04
4/22/2002	Smarte Carte	\$ 2.00	\$ 2.00
6/24/2002	Northwest Airlines	\$ 2,170.90	
10/5/2002	Hilton	\$ 1,759.41	\$ 1,759.41
10/7/2002	Northwest Airlines	\$ 4,727.94	\$ 4,727.94
10/7/2002	Northwest Airlines	\$ 4,727.94	
10/7/2002	Northwest Airlines	\$ 4,625.94	\$ 4,625.94
10/8/2002	Smarte Carte	\$ 2.00	\$ 2.00
10/21/2002	Northwest Airlines	\$ 4,105.36	
10/25/2002	Luxor Cab Inc.	\$ 85.00	
10/26/2002	Park Hyatt	\$ 804.27	
10/27/2002	Southwest Airlines	\$ 238.50	\$ 238.50
10/27/2002	Southwest Airlines	\$ 238.50	
10/28/2002	Barbary Coast Htl	\$ 64.31	\$ 64.31
10/28/2002	Flmngo Hilton Paradi	\$ 64.14	\$ 64.14
10/30/2002	Barbary Coast Htl	\$ 95.48	\$ 95.48
11/1/2002	Park Hyatt	\$ 1,044.99	
11/1/2002	Park Hyatt	\$ 543.78	
11/3/2002	Hertz Rent A Car	\$ 211.83	
11/6/2002	Ala Moana Hotel	\$ 677.53	
11/6/2002	Union 76	\$ 7.35	
11/26/2002	Northwest Airlines	\$ 1,414.09	\$ 1,414.09
2/3/2003	Northwest Airlines	\$ 4,087.72	\$ 4,087.72
9/12/2003	Omni Hotels	\$ 729.59	
9/21/2003	Associated Limousines	\$ 79.00	
10/10/2003	Northwest Airlines	\$ 2,310.26	\$ 2,310.26
Total for Travel Related Expenses		\$ 113,894.65	\$ 62,248.93

Off-Island Restaurants (Chief Financial Officer)

Date	Description	Amount	Questionable and Abusive Cost
2/8/2001	China House Restaurant	\$ 92.00	\$ 92.00
6/25/2001	Crabpot	\$ 260.20	\$ 260.20
6/28/2001	TGI Friday's	\$ 94.49	\$ 94.49
6/30/2001	Sparks Steak House	\$ 319.64	\$ 319.64
7/1/2001	Alioto Fish Co.	\$ 255.57	\$ 255.57
7/9/2001	Ideta Restaurant	\$ 146.83	\$ 146.83
11/27/2001	Angelo & Maxie000100	\$ 137.63	\$ 137.63
11/30/2001	Benihana Tokyo	\$ 188.32	\$ 188.32
12/1/2001	Alioto Fish Co.	\$ 300.00	\$ 300.00
12/1/2001	Alioto Fish Co.	\$ 24.00	\$ 24.00
12/1/2001	Max's on the Square	\$ 27.42	\$ 27.42
12/1/2001	Max's on the Square	\$ 83.93	\$ 83.93
12/3/2001	Aqua	\$ 205.56	\$ 205.56
12/7/2001	Masu Japanese Bistro	\$ 139.53	\$ 139.53
12/8/2001	Fresh Choice	\$ 40.44	\$ 40.44
2/10/2002	Narita Airport Terminal	\$ 50.46	\$ 50.46
2/12/2002	Hatsuhana	\$ 95.35	\$ 95.35
2/15/2002	Vaqueros Border Chop	\$ 148.11	\$ 148.11
2/19/2002	Alioto Fish Co.	\$ 171.91	\$ 171.91
2/21/2002	Narita Airport Terminal	\$ 86.57	\$ 86.57
4/9/2002	Narita Airport Terminal	\$ 44.70	\$ 44.70
4/15/2002	Tabla	\$ 404.25	\$ 404.25
4/18/2002	Narita Airport Terminal	\$ 74.56	\$ 74.56
10/30/2002	Alioto Fish Co.	\$ 226.71	
11/3/2002	Carrows	\$ 61.11	
Total for Off-Island Restaurants		\$ 3,679.29	\$ 3,391.47

Other Charges (Chief Financial Officer)

Date	Description	Amount	Questionable and Abusive Cost
9/29/2000	Intermedia Pty	\$ 7,514.76	
10/6/2000	Rexall Drug Store	\$ 300.00	\$ 300.00
10/26/2000	Guam Cellular & Paging	\$ 275.00	
11/17/2000	Gero Vita Laboratories	\$ 183.70	\$ 183.70
11/27/2000	Verio	\$ 319.00	
12/14/2000	QDI	\$ 3.95	
12/14/2000	QDI	\$ 25.90	
12/14/2000	QDI	\$ 9.90	
12/14/2000	QDI	\$ 7.90	
12/20/2000	Cost U Less	\$ 319.99	\$ 319.99
1/26/2001	Cost U Less	\$ 319.99	
2/22/2001	Pacific Tyre	\$ 99.90	\$ 99.90
2/27/2001	Mobil	\$ 18.25	\$ 18.25
3/10/2001	Atkins Kroll	\$ 76.90	\$ 76.90
3/18/2001	Ke-Ra-Da Sporting Goods	\$ 90.20	\$ 90.20

Other Charges (Chief Financial Officer)

Date	Description	Amount	Questionable and Abusive Cost
3/29/2001	Guam Cellular & Paging	\$ 232.34	
3/31/2001	Mobil	\$ 18.00	\$ 18.00
4/5/2001	MPI Chemicals	\$ 1,675.76	\$ 1,675.76
4/19/2001	Ebags.Com	\$ 68.81	\$ 68.81
4/27/2001	IT&E Overseas	\$ 260.00	
4/29/2001	Ebags.Com	\$ 266.55	\$ 266.55
5/7/2001	Blockbuster Video	\$ 27.00	\$ 27.00
5/10/2001	South Pacific Petroleum	\$ 37.00	\$ 37.00
5/15/2001	Accounting	\$ 616.00	\$ 616.00
6/5/2001	Daytimers Inc	\$ 38.98	
6/22/2001	Ebags.Com	\$ 87.14	\$ 87.14
6/22/2001	Ebags.Com	\$ 242.83	\$ 242.83
6/28/2001	Florsheim Shoe	\$ 109.90	\$ 109.90
6/29/2001	For Your Entr	\$ 294.30	\$ 294.30
7/5/2001	Lenscrafters	\$ 540.63	\$ 540.63
7/5/2001	Eyexam 2000	\$ 78.95	\$ 78.95
7/7/2001	Costco	\$ 247.85	\$ 247.85
7/18/2001	Amazon.com	\$ 97.58	\$ 97.58
7/18/2001	Amazon.com	\$ 9.71	\$ 9.71
7/18/2001	Amazon.com	\$ 12.99	\$ 12.99
7/18/2001	Amazon.com	\$ 9.49	\$ 9.49
7/27/2001	AOL Service	\$ 23.90	
8/24/2001	Ebags.com	\$ 64.98	\$ 64.98
8/26/2001	AOL Service	\$ 23.90	
9/13/2001	IT&E Overseas	\$ 100.00	
9/13/2001	IT&E Overseas	\$ 159.95	
9/17/2001	*	\$ 156.70	\$ 156.70
9/26/2001	AOL Service	\$ 23.90	
10/10/2001	*	\$ 151.55	\$ 151.55
10/26/2001	AOL Service	\$ 23.90	
11/2/2001	Ace Hardware	\$ 527.43	\$ 527.43
11/26/2001	AOL Service	\$ 23.90	
11/26/2001	Virgin Megastor	\$ 243.44	\$ 243.44
12/1/2001	Virgin Megastor	\$ 137.25	\$ 137.25
12/6/2001	Ikea	\$ 264.06	\$ 264.06
12/7/2001	The Home Depot	\$ 92.79	\$ 92.79
12/7/2001	Ikea	\$ 1,521.94	\$ 1,521.94
12/7/2001	Staples	\$ 356.35	
12/7/2001	Staples	\$ 988.95	
12/8/2001	Amazon.com	\$ 68.05	\$ 68.05
12/8/2001	Circuit City	\$ 259.16	\$ 259.16
12/8/2001	Good Guys	\$ 16.19	\$ 16.19
12/12/2001	www.kbtoys.com	\$ 132.04	\$ 132.04
12/26/2001	AOL Service	\$ 23.90	

Other Charges (Chief Financial Officer)

Date	Description	Amount	Questionable and Abusive Cost
1/3/2002	PC Outlet	\$ 90.00	
1/3/2002	PC Outlet	\$ 25.50	
1/22/2002	AOL Shop Direct	\$ 71.85	\$ 71.85
1/22/2002	Ebags.com	\$ 166.98	\$ 166.98
1/25/2002	Mark's Motors	\$ 320.00	\$ 320.00
2/6/2002	AOL Shop Direct	\$ 92.95	\$ 92.95
2/7/2002	Hot Chili Media And Design	\$ 99.70	
2/12/2002	Premium Services	\$ 9.90	\$ 9.90
2/12/2002	AOL Service	\$ 195.20	
2/17/2002	Best Buy Co	\$ 206.80	\$ 206.80
2/17/2002	Blockbuster Video	\$ 6.00	\$ 6.00
2/21/2002	Sybersound Records	\$ 200.52	\$ 200.52
3/7/2002	Music Match	\$ 59.98	\$ 59.98
3/12/2002	Premium Services	\$ 4.95	\$ 4.95
3/12/2002	AOL Service	\$ 101.00	
3/30/2002	Music Match	\$ 29.95	\$ 29.95
4/12/2002	Premium Services	\$ 4.95	\$ 4.95
4/12/2002	AOL Service	\$ 46.00	
4/13/2002	Bose Store Riverhead	\$ 324.42	\$ 324.42
4/14/2002	Bell Atlantic Mobile	\$ 74.18	
4/15/2002	Del Concha Tobacco	\$ 86.38	\$ 86.38
4/18/2002	AOL Shop Direct	\$ 35.90	
4/25/2002	Blockbuster Video	\$ 12.00	\$ 12.00
5/9/2002	AOL Service	\$ 23.90	
5/12/2002	Premium Services	\$ 4.95	\$ 4.95
5/12/2002	AOL Service	\$ 45.40	
5/15/2002	AOL Shop Direct	\$ 107.85	
6/9/2002	AOL Service	\$ 23.90	
6/12/2002	Premium Services	\$ 4.95	\$ 4.95
6/12/2002	AOL Service	\$ 90.40	
7/9/2002	AOL Service	\$ 23.90	
7/12/2002	Premium Services	\$ 4.95	\$ 4.95
7/12/2002	AOL Service	\$ 84.50	
7/21/2002	AOL Shop Direct	\$ 112.90	\$ 112.90
8/12/2002	AOL Service	\$ 226.70	
8/21/2002	AOL SVC Settlement	\$ 45.40	
8/24/2002	AOL SVC Settlement	\$ 45.40	
8/29/2002	Xerox	\$ 63.60	
9/9/2002	Welcome Screen	\$ 68.94	\$ 68.94
9/11/2002	National Office Supply	\$ 709.12	
9/12/2002	AOL Service	\$ 174.10	
9/26/2002	DFS Guam	\$ 280.00	\$ 280.00

Other Charges (Chief Financial Officer)

Date	Description	Amount	Questionable and Abusive Cost
9/30/2002	Everrich D.F.S.	\$ 398.45	\$ 398.45
10/1/2002	Lenscrafters	\$ 331.44	\$ 331.44
10/3/2002	Bergdorf Goodman	\$ 227.33	\$ 227.33
10/12/2002	AOL Service	\$ 110.90	
10/15/2002	Welcome Screen	\$ 44.99	\$ 44.99
10/31/2002	Stoies Stogies	\$ 161.90	\$ 161.90
10/31/2002	Pulvers Sherlock	\$ 125.70	\$ 125.70
11/8/2002	Welcome Screen	\$ 44.99	\$ 44.99
11/12/2002	AOL Service	\$ 92.80	
11/16/2002	Pacific LP Gas	\$ 111.90	\$ 111.90
11/17/2002	AOL Shop Direct	\$ 110.85	\$ 110.85
12/8/2002	Welcome Screen	\$ 44.99	\$ 44.99
12/12/2002	AOL Service	\$ 75.30	
12/13/2002	Ace Hardware	\$ 35.88	\$ 35.88
12/13/2002	Ace Hardware	\$ 135.84	\$ 135.84
12/17/2002	Marianas Electronics	\$ 119.00	
12/19/2002	Benson Guam Enterprises	\$ 680.79	\$ 680.79
12/25/2002	IT&E Overseas	\$ 324.00	
1/12/2003	AOL Service	\$ 88.50	
1/16/2003	I Connect, I Radio	\$ 3,123.20	
2/12/2003	AOL Service	\$ 60.00	
3/2/2003	Welcome Screen	\$ 45.90	\$ 45.90
3/12/2003	AOL Service	\$ 184.40	
11/18/2003	Network Solutions	\$ 75.00	
Minus credit made on 6/29/01			(\$32.46)
Total for Other Charges		\$31,081.40	\$13,707.82

Recap: Between October 2000 and November 2003, the former Chief Financial Officer (former CFO) charged \$175,481 to his GEDCA credit card. In total, we questioned \$106,174 in credit card charges, specifically \$19,372 in local restaurants, \$7,454 in local entertainment, \$62,249 in travel related expenses, \$3,391 in off-island restaurants, and \$13,708 in other charges. See Table 14 for a breakdown of charges and questionable charges.

Table 14: Breakdown of Chief Financial Officer's Credit Card Charges

Chief Financial Officer's Expenses	Total Credit Card Charges	Questionable and Abusive Costs
Total for Local Restaurants	\$ 19,371.91	\$ 19,371.91
Total for Local Entertainment	\$ 7,453.90	\$ 7,453.90
Total for Travel Related Expenses	\$ 113,894.65	\$ 62,248.93
Total for Off-Island Restaurants	\$ 3,679.29	\$ 3,391.47
Total for Other Charges	\$ 31,081.40	\$ 13,707.82
Grand Total	\$ 175,481.15	\$ 106,174.03

Appendix 7:**Detailed Credit Card Charges (Business Development Director)**

Local Restaurants (Business Development Director)

Date	Description	Amount	Questionable and Abusive Cost
11/8/2000	Holiday Inn	\$ 80.00	\$ 80.00
11/13/2000	Seahorse Restaurant	\$ 25.70	\$ 25.70
11/16/2000	Fuji Ichiban	\$ 25.75	\$ 25.75
11/17/2000	Cyberup Café	\$ 21.13	\$ 21.13
11/20/2000	Marty's Restaurant	\$ 44.00	\$ 44.00
12/29/2000	Guam Hilton	\$ 80.85	\$ 80.85
1/4/2001	Cyberup Café	\$ 11.00	\$ 11.00
1/7/2001	Seahorse Restaurant	\$ 60.00	\$ 60.00
1/10/2001	Fuji Ichiban	\$ 60.25	\$ 60.25
1/11/2001	Marty's Restaurant	\$ 58.00	\$ 58.00
1/12/2001	Sandcastle Inc	\$ 116.20	\$ 116.20
1/12/2001	Marty's Restaurant	\$ 58.00	\$ 58.00
1/16/2001	Down Town Deli	\$ 92.85	\$ 92.85
1/24/2001	Guam Hilton	\$ 85.55	\$ 85.55
2/14/2001	Alupang Beach Tower	\$ 60.00	\$ 60.00
2/15/2001	Guam Hilton	\$ 30.00	\$ 30.00
2/21/2001	Lonestar	\$ 68.52	\$ 68.52
2/26/2001	Marty's Restaurant	\$ 63.40	\$ 63.40
2/26/2001	Marty's Restaurant	\$ 16.50	\$ 16.50
2/28/2001	Sante Fe Bar & Grill	\$ 21.00	\$ 21.00
3/15/2001	Marty's Restaurant	\$ 185.80	\$ 185.80
3/20/2001	Marty's Restaurant	\$ 150.00	\$ 150.00
3/20/2001	Marty's Restaurant	\$ 42.00	\$ 42.00
3/22/2001	Seahorse Restaurant	\$ 162.00	\$ 162.00
3/28/2001	Thai Kitchen	\$ 100.00	\$ 100.00
4/4/2001	Marty's Restaurant	\$ 100.00	\$ 100.00
4/25/2001	Capricciosa	\$ 74.47	\$ 74.47
4/28/2001	Shirley's Coffee Shop	\$ 47.25	\$ 47.25
4/28/2001	Café Cino	\$ 78.65	\$ 78.65
5/2/2001	Marty's Restaurant	\$ 222.35	\$ 222.35
5/3/2001	Sante Fe Bar & Grill	\$ 15.50	\$ 15.50
5/5/2001	Capricciosa	\$ 72.70	\$ 72.70
5/7/2001	Marty's Restaurant	\$ 53.25	\$ 53.25
5/7/2001	Oriental Restaurant	\$ 62.00	\$ 62.00
5/8/2001	Marty's Restaurant	\$ 45.00	\$ 45.00
5/11/2001	Marty's Restaurant	\$ 86.80	\$ 86.80
5/11/2001	Genji	\$ 139.68	\$ 139.68
5/16/2001	Lonestar	\$ 66.86	\$ 66.86
5/17/2001	Marty's Restaurant	\$ 67.55	\$ 67.55
5/22/2001	Marty's Restaurant	\$ 32.00	\$ 32.00
5/22/2001	Marty's Restaurant	\$ 10.00	\$ 10.00
5/24/2001	Marty's Restaurant	\$ 50.00	\$ 50.00
5/29/2001	Marty's Restaurant	\$ 64.35	\$ 64.35
5/30/2001	Marty's Restaurant	\$ 42.00	\$ 42.00

Local Restaurants (Business Development Director)

Date	Description	Amount	Questionable and Abusive Cost
6/1/2001	Marty's Restaurant	\$ 81.75	\$ 81.75
6/1/2001	Le Tasi Bistro	\$ 231.30	\$ 231.30
6/12/2001	Marty's Restaurant	\$ 50.00	\$ 50.00
6/16/2001	Marty's Restaurant	\$ 47.40	\$ 47.40
6/18/2001	Marty's Restaurant	\$ 19.50	\$ 19.50
6/20/2001	Capricciosa	\$ 118.07	\$ 118.07
6/20/2001	Marty's Restaurant	\$ 62.40	\$ 62.40
6/23/2001	Marty's Restaurant	\$ 72.00	\$ 72.00
6/24/2001	Marty's Restaurant	\$ 33.50	\$ 33.50
6/25/2001	Genji	\$ 200.00	\$ 200.00
6/26/2001	Marty's Restaurant	\$ 105.15	\$ 105.15
7/12/2001	Hyatt	\$ 265.65	\$ 265.65
7/14/2001	Marty's Restaurant	\$ 81.10	\$ 81.10
8/4/2001	Marty's Restaurant	\$ 67.50	\$ 67.50
8/7/2001	Marty's Restaurant	\$ 105.50	\$ 105.50
8/8/2001	Seahorse Restaurant	\$ 101.00	\$ 101.00
8/15/2001	Marty's Restaurant	\$ 76.90	\$ 76.90
8/21/2001	Marty's Restaurant	\$ 149.50	\$ 149.50
9/5/2001	Lonestar	\$ 44.28	\$ 44.28
9/14/2001	Marty's Restaurant	\$ 124.15	\$ 124.15
9/21/2001	Marty's Restaurant	\$ 56.00	\$ 56.00
9/28/2001	Marty's Restaurant	\$ 100.10	\$ 100.10
10/3/2001	Marty's Restaurant	\$ 79.40	\$ 79.40
10/4/2001	Marty's Restaurant	\$ 28.00	\$ 28.00
10/11/2001	Joinus Restaurant	\$ 275.30	\$ 275.30
10/17/2001	Oriental Restaurant	\$ 39.00	\$ 39.00
10/18/2001	Marty's Restaurant	\$ 86.65	\$ 86.65
11/1/2001	Marty's Restaurant	\$ 190.00	\$ 190.00
11/7/2001	Marty's Restaurant	\$ 115.50	\$ 115.50
11/15/2001	Marty's Restaurant	\$ 77.90	\$ 77.90
12/11/2001	Marty's Restaurant	\$ 35.90	\$ 35.90
12/12/2001	Lonestar	\$ 92.39	\$ 92.39
12/12/2001	Marty's Restaurant	\$ 167.15	\$ 167.15
12/13/2001	Guam Hilton	\$ 225.00	\$ 225.00
12/15/2001	Hyatt	\$ 97.90	\$ 97.90
12/18/2001	Shirley's Coffee Shop	\$ 31.55	\$ 31.55
12/31/2001	Marty's Restaurant	\$ 43.70	\$ 43.70
1/7/2002	Roy's Restaurant	\$ 283.82	\$ 283.82
1/8/2002	PIC - Bistro	\$ 270.39	\$ 270.39
1/8/2002	Fuji Ichiban	\$ 40.00	\$ 40.00
2/15/2002	Kings Restaurant	\$ 11.38	\$ 11.38
2/27/2002	Marty's Restaurant	\$ 150.95	\$ 150.95
3/7/2002	Marty's Restaurant	\$ 36.50	\$ 36.50
3/12/2002	Joinus Restaurant	\$ 188.85	\$ 188.85
3/15/2002	Marty's Restaurant	\$ 180.15	\$ 180.15
3/22/2002	Marty's Restaurant	\$ 149.30	\$ 149.30
4/4/2002	Capricciosa	\$ 63.88	\$ 63.88

Local Restaurants (Business Development Director)

Date	Description	Amount	Questionable and Abusive Cost
4/19/2002	Seahorse Restaurant	\$ 221.25	\$ 221.25
4/27/2002	Lonestar	\$ 65.00	\$ 65.00
4/30/2002	Shirley's Coffee Shop	\$ 25.75	\$ 25.75
5/7/2002	Marty's Restaurant	\$ 77.75	\$ 77.75
5/9/2002	Marty's Restaurant	\$ 142.20	\$ 142.20
5/10/2002	Shirley's Coffee Shop	\$ 35.60	\$ 35.60
5/23/2002	Kings Restaurant	\$ 19.13	\$ 19.13
5/23/2002	Marty's Restaurant	\$ 38.00	\$ 38.00
6/4/2002	Capricciosa	\$ 249.24	\$ 249.24
6/4/2002	Capricciosa	\$ 70.87	\$ 70.87
6/5/2002	Outrigger Guam Resort	\$ 86.89	\$ 86.89
6/14/2002	Marty's Restaurant	\$ 84.50	\$ 84.50
6/21/2002	Shirley's Coffee Shop	\$ 33.20	\$ 33.20
7/13/2002	Shirley's Coffee Shop	\$ 52.45	\$ 52.45
7/16/2002	Joinus Restaurant	\$ 242.87	\$ 242.87
8/1/2002	Marty's Restaurant	\$ 55.80	\$ 55.80
8/2/2002	Joinus Restaurant	\$ 209.89	\$ 209.89
8/8/2002	Marty's Restaurant	\$ 25.45	\$ 25.45
8/9/2002	Marty's Restaurant	\$ 51.95	\$ 51.95
8/13/2002	Marty's Restaurant	\$ 78.40	\$ 78.40
8/19/2002	Marty's Restaurant	\$ 69.85	\$ 69.85
8/19/2002	Capricciosa	\$ 138.31	\$ 138.31
8/20/2002	VIP House	\$ 179.00	\$ 179.00
8/21/2002	Lonestar	\$ 60.95	\$ 60.95
8/26/2002	Shirley's Coffee Shop	\$ 33.05	\$ 33.05
8/29/2002	Marty's Restaurant	\$ 28.25	\$ 28.25
9/3/2002	Oriental Restaurant	\$ 87.50	\$ 87.50
9/5/2002	Shirley's Coffee Shop	\$ 33.35	\$ 33.35
9/6/2002	Marty's Restaurant	\$ 49.80	\$ 49.80
9/8/2002	Marty's Restaurant	\$ 100.00	\$ 100.00
9/12/2002	Marty's Restaurant	\$ 182.90	\$ 182.90
9/14/2002	VIP House	\$ 151.00	\$ 151.00
9/17/2002	Holiday Inn	\$ 59.94	\$ 59.94
9/18/2002	Shirley's Coffee Shop	\$ 25.60	\$ 25.60
9/20/2002	Marty's Restaurant	\$ 106.40	\$ 106.40
9/25/2002	Fuji Ichiban	\$ 63.75	\$ 63.75
9/25/2002	Lonestar	\$ 56.49	\$ 56.49
10/2/2002	Hyatt	\$ 325.45	\$ 325.45
10/8/2002	Lonestar	\$ 66.22	\$ 66.22
10/15/2002	Marty's Restaurant	\$ 59.80	\$ 59.80
10/15/2002	Le Premier	\$ 54.75	\$ 54.75
10/17/2002	Marty's Restaurant	\$ 23.00	\$ 23.00
10/21/2002	Marty's Restaurant	\$ 71.70	\$ 71.70
11/8/2002	Sam Choy's	\$ 330.58	\$ 330.58
11/8/2002	Marty's Restaurant	\$ 71.00	\$ 71.00
11/13/2002	Marty's Restaurant	\$ 169.60	\$ 169.60
11/29/2002	Marty's Restaurant	\$ 57.00	\$ 57.00

Local Restaurants (Business Development Director)

Date	Description	Amount	Questionable and Abusive Cost
12/16/2002	Marty's Restaurant	\$ 52.70	\$ 52.70
12/16/2002	Marty's Restaurant	\$ 320.98	\$ 320.98
12/19/2002	Lonestar	\$ 208.08	\$ 208.08
12/20/2002	Marty's Restaurant	\$ 90.00	\$ 90.00
1/2/2003	VIP House	\$ 80.00	\$ 80.00
1/8/2003	Old Hagatna Bar & Grill	\$ 41.00	\$ 41.00
1/10/2003	Capricciosa	\$ 123.63	\$ 123.63
1/14/2003	Marty's Restaurant	\$ 57.70	\$ 57.70
1/21/2003	Old Hagatna Bar & Grill	\$ 66.50	\$ 66.50
1/21/2003	Capricciosa	\$ 62.94	\$ 62.94
1/23/2003	Marty's Restaurant	\$ 153.85	\$ 153.85
Minus Reimbursement on 1/19/03		\$ (3.00)	\$ (3.00)
Total for Local Restaurants		\$ 13,978.03	\$ 13,978.03

Local Entertainment (Business Development Director)

Date	Description	Amount	Questionable and Abusive Cost
12/7/2000	The Cigar Divan	\$ 76.00	\$ 76.00
12/28/2000	The Cigar Divan	\$ 10.50	\$ 10.50
3/22/2001	Central Lanes	\$ 10.00	\$ 10.00
3/22/2001	Central Lanes	\$ 27.00	\$ 27.00
3/22/2001	Central Lanes	\$ 60.50	\$ 60.50
4/10/2001	Mac & Marti's	\$ 38.00	\$ 38.00
4/23/2001	Liaison Karaoke Box	\$ 499.50	\$ 499.50
4/25/2001	Mac & Marti's	\$ 131.25	\$ 131.25
4/28/2001	Tree Bar	\$ 226.78	\$ 226.78
4/30/2001	You and Me	\$ 47.00	\$ 47.00
5/17/2001	Mac & Marti's	\$ 138.00	\$ 138.00
5/17/2001	Mac & Marti's	\$ 57.25	\$ 57.25
5/22/2001	Mac & Marti's	\$ 66.25	\$ 66.25
6/20/2001	Liaison Karaoke Box	\$ 54.00	\$ 54.00
12/18/2001	Mac & Marti's	\$ 50.00	\$ 50.00
8/21/2002	Fishbowl	\$ 34.50	\$ 34.50
8/27/2002	Mac & Marti's	\$ 78.50	\$ 78.50
8/27/2002	Fishbowl	\$ 40.00	\$ 40.00
8/30/2002	Fishbowl	\$ 344.00	\$ 344.00
9/11/2002	Akasaka Rikyu	\$ 136.50	\$ 136.50
9/30/2002	The Cigar Divan	\$ 176.00	\$ 176.00
Total for Local Entertainment		\$ 2,301.53	\$ 2,301.53

Travel Related Expenses (Business Development Director)

Date	Description	Amount	Questionable and Abusive Cost
11/28/2000	Unocal 76	\$ 13.00	
11/28/2000	Ala Moana Hotel	\$ 359.37	\$ 359.37
11/29/2000	Loews Hotel	\$ 22.08	\$ 22.08
12/3/2000	Loews Hotel	\$ 1,140.07	\$ 1,140.07

Travel Related Expenses (Business Development Director)

Date	Description	Amount	Questionable and Abusive Cost
12/5/2000	Chevron First Chevron	\$ 17.73	
12/5/2000	Budget Rent A Car	\$ 100.27	
12/13/2000	Budget Rent A Car	\$ 292.48	
1/18/2001	Continental	\$ 1,704.96	
1/18/2001	Continental	\$ 1,704.96	
1/18/2001	Continental	\$ 1,704.96	
1/19/2001	Continental	\$ 1,704.96	
1/27/2001	Budget Rent A Car	\$ 78.92	
1/30/2001	Doubletree Hotels	\$ 13.45	\$ 13.45
2/6/2001	Budget Rent A Car	\$ 372.86	
2/27/2001	Smarte Carte	\$ 2.00	\$ 2.00
2/27/2001	Smarte Carte	\$ 2.00	\$ 2.00
4/12/2001	Continental	\$ 5,246.96	
4/23/2001	Hotel Inter-Continental	\$ 1,403.44	\$ 1,403.44
5/8/2001	Ala Moana Hotel	\$ 99.15	
6/4/2001	Budget Rent A Car	\$ 75.20	
6/4/2001	Ala Moana Hotel	\$ 270.11	\$ 270.11
6/10/2001	Marriott	\$ 1,435.37	\$ 1,435.37
6/10/2001	Budget Rent A Car	\$ 46.87	
6/10/2001	Ala Moana Hotel	\$ 209.87	\$ 209.87
8/3/2001	Sir Francis Drake Hotel	\$ 679.61	\$ 679.61
8/3/2001	Sir Francis Drake Hotel	\$ 2.16	\$ 2.16
8/4/2001	Budget Rent A Car	\$ 456.49	
8/5/2001	Sir Francis Drake Hotel	\$ 765.97	\$ 765.97
9/12/2001	Continental	\$ 4,832.46	
9/15/2001	Continental	\$ 4,074.96	\$ 4,074.96
11/7/2001	Continental	\$ 4,075.06	\$ 4,075.06
11/30/2001	Hilton	\$ 1,388.86	\$ 1,388.86
12/9/2001	Smarte Carte	\$ 2.00	\$ 2.00
1/21/2002	Northwest Airlines	\$ 35.86	
1/21/2002	Northwest Airlines	\$ 35.86	
1/29/2002	Hertz Rent A Car	\$ 258.57	
2/5/2002	Union 76	\$ 19.85	
2/5/2002	Ala Moana Hotel	\$ 1,083.02	\$ 1,083.02
2/6/2002	Ontario Airport Hilton	\$ 30.60	\$ 30.60
2/7/2002	Smarte Carte	\$ 2.00	\$ 2.00
2/28/2002	Continental	\$ 954.86	
3/1/2002	Continental	\$ 2,139.86	
4/7/2002	Hertz Rent A Car	\$ 132.20	
4/18/2002	The Plaza Hotel	\$ 2,274.40	\$ 2,274.40
4/24/2002	Airport Carts LLC	\$ 2.00	\$ 2.00
4/27/2002	Continental	\$ 1,785.86	\$ 1,785.86
4/28/2002	Hertz Rent A Car	\$ 207.99	\$ 207.99
5/1/2002	Ala Moana Hotel	\$ 414.40	\$ 414.40
5/1/2002	Ala Moana Hotel	\$ 398.05	\$ 398.05
5/3/2002	Smarte Carte	\$ 2.00	\$ 2.00

Travel Related Expenses (Business Development Director)

Date	Description	Amount	Questionable and Abusive Cost
5/3/2002	Smarte Carte	\$ 2.00	\$ 2.00
7/16/2002	Hertz Rent A Car	\$ 280.45	\$ 280.45
7/19/2002	Aloha 7 11	\$ 18.00	\$ 18.00
7/22/2002	Hmshost HNL Airport	\$ 25.42	\$ 25.42
7/22/2002	Ala Moana Hotel	\$ 887.77	\$ 887.77
8/1/2002	Smarte Carte	\$ 2.00	\$ 2.00
8/1/2002	Smarte Carte	\$ 2.00	\$ 2.00
10/23/2002	Hertz Rent A Car	\$ 760.66	
10/23/2002	Hmshost HNL Airport	\$ 25.00	\$ 25.00
10/24/2002	Smarte Carte	\$ 3.00	\$ 3.00
10/25/2002	Park Hyatt	\$ 665.27	
10/25/2002	Park Hyatt	\$ 39.06	
10/26/2002	Embassy Suites	\$ 142.00	
11/1/2002	Park Hyatt	\$ 794.97	
11/1/2002	American Airlines	\$ 135.00	\$ 135.00
11/1/2002	Hmshost HNL Airport	\$ 12.63	\$ 12.63
11/2/2002	Smarte Carte	\$ 3.00	\$ 3.00
11/2/2002	Smarte Carte	\$ 3.00	\$ 3.00
11/19/2002	Park Hyatt	\$ 226.86	
11/21/2002	Hertz Rent A Car	\$ 442.35	
11/21/2002	Hyatt	\$ 955.03	
11/21/2002	HMShost-LAX-Airport	\$ 6.48	\$ 6.48
11/21/2002	HMShost-SFO-Airport	\$ 7.98	\$ 7.98
5/28/2003	Le Parker Meridien Hot	\$ 1,837.36	\$ 1,837.36
8/22/2003	The Plaza Hotel	\$ 969.57	
8/22/2003	The Plaza Hotel	\$ 11.95	
9/18/2003	The Plaza Hotel	\$ 330.38	\$ 330.38
9/30/2003	Adams Mark Hotels	\$ 401.40	\$ 401.40
10/21/2003	Continental	\$ 100.00	
10/21/2003	Continental	\$ 100.00	
10/21/2003	Continental	\$ 75.00	
10/21/2003	Continental	\$ 75.00	
10/23/2003	Hotel Okura Tokyo	\$ 52.24	\$ 52.24
10/23/2003	Hotel Okura Tokyo	\$ 80.04	\$ 80.04
10/24/2003	Toranomonpastral	\$ 165.71	\$ 165.71
Total for Travel Related Expenses		\$ 53,714.57	\$ 26,327.56

Off-Island Restaurants (Business Development Director)

Date	Description	Amount	Questionable and Abusive Cost
11/17/2000	Ala Moana Hotel	\$ 99.15	\$ 99.15
11/17/2000	Ala Moana Hotel	\$ 99.15	\$ 99.15
11/30/2000	Master Wok	\$ 17.60	\$ 17.60
12/9/2000	Red Lobster	\$ 118.92	\$ 118.92
12/10/2000	John Dominis	\$ 400.00	\$ 400.00
12/11/2000	Anna Miller's Restaurant	\$ 60.94	\$ 60.94

Off-Island Restaurants (Business Development Director)

Date	Description	Amount	Questionable and Abusive Cost
12/12/2000	Aloha 7 11	\$ 29.00	\$ 29.00
1/30/2001	The House	\$ 95.43	\$ 95.43
4/18/2001	Bubby's	\$ 93.88	\$ 93.88
5/24/2001	Fontana Restaurant	\$ 170.50	\$ 170.50
5/25/2001	Fontana Restaurant	\$ 147.40	\$ 147.40
11/28/2001	Trattoria Dell'arte	\$ 114.50	\$ 114.50
12/1/2001	Dave & Buster's	\$ 78.91	\$ 78.91
4/12/2002	Gerardis Rstr	\$ 181.55	\$ 181.55
4/28/2002	Red Lobster	\$ 22.97	\$ 22.97
4/28/2002	Red Lobster	\$ 73.00	\$ 73.00
4/30/2002	Hooters	\$ 40.00	\$ 40.00
5/1/2002	Side Street Inn	\$ 68.50	\$ 68.50
7/17/2002	Red Lobster	\$ 16.27	\$ 16.27
7/17/2002	Red Lobster	\$ 60.69	\$ 60.69
7/17/2002	Chili's G&B	\$ 42.03	\$ 42.03
7/18/2002	John Dominis	\$ 141.71	\$ 141.71
10/23/2002	Café Metro	\$ 9.80	
10/25/2002	Hungry Hunter	\$ 111.61	
10/26/2002	Whole Foods Market	\$ 136.04	
10/27/2002	Albertsons	\$ 60.73	
10/28/2002	Albertsons	\$ 118.78	
10/29/2002	Max's Dinner 300	\$ 95.84	
10/31/2002	Castagnola Restaurant	\$ 94.36	
10/31/2002	Starbucks Coffee	\$ 27.40	
11/17/2002	Zippys Restaurants	\$ 50.00	
Total for Off-Island Restaurants		\$ 2,876.66	\$ 2,172.10

Other Charges (Business Development Director)

Date	Description	Amount	Questionable and Abusive Cost
11/9/2000	Mobil	\$ 12.00	\$ 12.00
11/16/2000	Tropical Color Center	\$ 9.90	
1/21/2001	Thomson Fin Conf Ex	\$ 225.00	
3/21/2001	Megabyte	\$ 69.00	
4/6/2001	PC Outlet	\$ 86.00	
4/19/2001	Staples	\$ 301.98	
5/18/2001	Cost U Less	\$ 25.84	\$ 25.84
5/22/2001	J&R Sound Mail Order	\$ 494.00	\$ 494.00
6/10/2001	Wal Mart	\$ 112.25	\$ 112.25
6/23/2001	Cost U Less	\$ 68.85	\$ 68.85
7/24/2001	PC Outlet	\$ 109.66	
7/26/2001	Cost U Less	\$ 43.98	\$ 43.98
8/4/2001	Host Int'l Inc	\$ 19.07	\$ 19.07
8/8/2001	Game Stop	\$ 131.00	\$ 131.00
9/9/2001	AOL Service	\$ 38.70	
9/18/2001	*	\$ 66.70	\$ 66.70
9/19/2001	*	\$ 48.00	\$ 48.00

Other Charges (Business Development Director)

Date	Description	Amount	Questionable and Abusive Cost
9/25/2001	*	\$ 8.00	\$ 8.00
9/27/2001	*	\$ 128.00	\$ 128.00
10/4/2001	*	\$ 137.30	\$ 137.30
10/9/2001	AOL Service	\$ 225.30	
10/10/2001	*	\$ 164.65	\$ 164.65
10/17/2001	*	\$ 131.00	\$ 131.00
10/30/2001	The Dungeon	\$ 52.50	\$ 52.50
11/6/2001	Triple J Express Tire	\$ 222.95	\$ 222.95
11/6/2001	PC Outlet	\$ 32.89	
11/8/2001	Pacific Tyre	\$ 102.40	\$ 102.40
11/9/2001	AOL Service	\$ 183.60	
11/14/2001	Island Bus Systems & S	\$ 215.00	
12/1/2001	Magnolia Hi Fi 2000	\$ 140.38	\$ 140.38
12/3/2001	DP SFO Bay Traders	\$ 108.85	\$ 108.85
12/6/2001	Ace Hardware	\$ 155.92	\$ 155.92
12/6/2001	Ace Hardware	\$ 233.88	\$ 233.88
12/7/2001	Asahi Duty Free	\$ 120.00	\$ 120.00
12/9/2001	AOL Service	\$ 223.20	
12/19/2001	PC Outlet	\$ 461.80	
12/21/2001	Cost U Less	\$ 34.32	\$ 34.32
12/26/2001	PC Outlet	\$ 169.00	
1/2/2002	Pacific Island Movers	\$ 64.00	
1/8/2002	AOL Service	\$ 23.90	
1/9/2002	AOL Service	\$ 237.20	
1/30/2002	Lamonts Gift & Sundr	\$ 4.65	\$ 4.65
2/8/2002	AOL Service	\$ 23.90	
2/9/2002	AOL Service	\$ 277.50	
2/16/2002	Cost U Less	\$ 37.85	\$ 37.85
2/26/2002	PC Outlet	\$ 520.74	
2/27/2002	PC Outlet	\$ 139.00	
2/28/2002	PC Outlet	\$ 139.00	
3/8/2002	AOL Service	\$ 23.90	
3/9/2002	AOL Service	\$ 227.10	
4/8/2002	AOL Service	\$ 23.90	
4/9/2002	AOL Service	\$ 134.00	
4/18/2002	Telenor	\$ 9.35	
4/26/2002	Hands Free Phone	\$ 58.75	
4/26/2002	Hands Free Phone	\$ 58.75	
4/26/2002	Hands Free Phone	\$ 58.75	
4/28/2002	Lamonts Gift & Sundr	\$ 23.85	\$ 23.85
4/29/2002	Lamonts Gift & Sundr	\$ 8.11	\$ 8.11
4/30/2002	See's Candies	\$ 42.19	\$ 42.19
4/30/2002	Company KX	\$ 70.81	\$ 70.81
4/30/2002	Daiei	\$ 26.04	\$ 26.04
5/8/2002	AOL Service	\$ 23.90	
5/9/2002	AOL Service	\$ 147.50	
5/17/2002	Cost U Less	\$ 31.92	\$ 31.92
6/4/2002	Questsavers	\$ 8.95	

Other Charges (Business Development Director)

Date	Description	Amount	Questionable and Abusive Cost
6/8/2002	AOL Service	\$ 23.90	
6/9/2002	AOL Service	\$ 256.60	
6/27/2002	Famous Smoke Shop	\$ 30.95	\$ 30.95
7/2/2002	Questsavers	\$ 8.95	
7/8/2002	AOL Service	\$ 23.90	
7/9/2002	AOL Service	\$ 175.80	
7/21/2002	Wal Mart	\$ 47.80	\$ 47.80
8/2/2002	Questsavers	\$ 8.95	
8/8/2002	AOL Service	\$ 23.90	
8/9/2002	AOL Service	\$ 154.60	
8/24/2002	AOL SVC Settlement	\$ 256.60	
9/4/2002	Questsavers	\$ 8.95	
9/8/2002	AOL Service	\$ 23.90	
9/9/2002	AOL Service	\$ 32.10	
9/16/2002	Xerox	\$ 182.82	
10/2/2002	Questsavers	\$ 8.95	
10/8/2002	AOL Service	\$ 23.90	
10/9/2002	AOL Service	\$ 63.50	
10/27/2002	1601 Capital Ave	\$ 27.40	
10/27/2002	1601 Capital Ave	\$ 27.40	\$ 27.40
10/31/2002	Pulvers Sherlock	\$ 83.92	\$ 83.92
10/31/2002	See's Candies	\$ 62.00	\$ 62.00
11/3/2002	Questsavers	\$ 8.95	
11/8/2002	AOL Service	\$ 23.90	
11/9/2002	AOL Service	\$ 48.50	
11/19/2002	Pulvers Sherlock	\$ 126.57	\$ 126.57
11/20/2002	See's Candies	\$ 24.80	\$ 24.80
11/20/2002	Starbucks Coffee	\$ 49.75	\$ 49.75
11/20/2002	Pulvers Sherlock	\$ 91.85	\$ 91.85
12/3/2002	Questsavers	\$ 8.95	
12/8/2002	AOL Service	\$ 23.90	
12/9/2002	AOL Service	\$ 61.70	
12/25/2002	PC Outlet	\$ 119.83	
1/3/2003	Questsavers	\$ 8.95	
1/8/2003	AOL Service	\$ 23.90	
1/9/2003	AOL Service	\$ 56.20	
1/14/2003	Shell	\$ 18.09	\$ 18.09
1/15/2003	Shell	\$ 23.31	\$ 23.31
1/20/2003	Audio Vision Center	\$ 52.00	\$ 52.00
1/20/2003	Proline	\$ 24.95	\$ 24.95
1/22/2003	PC Outlet	\$ 199.00	
2/4/2003	Questsavers	\$ 8.95	
2/8/2003	AOL Service	\$ 23.90	
2/9/2003	AOL Service	\$ 73.30	
3/4/2003	Questsavers	\$ 8.95	
3/8/2003	AOL Service	\$ 23.90	
3/9/2003	AOL Service	\$ 80.80	
3/13/2003	Govt Finance Officers	\$ 1,555.00	

Other Charges (Business Development Director)

Date	Description	Amount	Questionable and Abusive Cost
4/2/2003	Questsavers	\$ 8.95	
4/8/2003	AOL Service	\$ 23.90	
4/9/2003	AOL Service	\$ 88.50	
5/2/2003	Questsavers	\$ 8.95	
5/8/2003	AOL Service	\$ 23.90	
5/9/2003	AOL Service	\$ 85.60	
6/8/2003	AOL Service	\$ 23.90	
8/8/2003	AOL Service	\$ 23.90	
8/13/2003	Prescient Software JRD	\$ 995.00	
9/8/2003	AOL Service	\$ 23.90	
10/8/2003	AOL Service	\$ 23.90	
10/23/2003	Gyukaku Rotsupongiten	\$ 117.10	\$ 117.10
11/8/2003	AOL Service	\$ 23.90	
Total for Other Charges		\$ 13,356.47	\$ 3,787.75

Between October 2000 and November 2003, the former Business Development Director (former BDD) charged \$86,230 to his GEDCA credit card. In total, we questioned \$48,567 in credit card charges, specifically \$13,978 in local restaurants, \$2,302 in local entertainment, \$26,328 in travel related expenses, \$2,172 in off-island restaurants, and \$3,788 in other charges. See Table 15 for a breakdown of questionable and abusive charges.

Table 15: Summary of Business Development Director's Credit Card Charges

Business Development Director's Expenses	Total Credit Card Charges	Questionable and Abusive Costs
Total for Local Restaurants	\$ 13,981.03	\$ 13,978.03
Total for Local Entertainment	\$ 2,301.53	\$ 2,301.53
Total for Travel Related Expenses	\$ 53,714.57	\$ 26,327.56
Total for Off-Island Restaurants	\$ 2,876.66	\$ 2,172.10
Total for Miscellaneous Charges	\$ 13,356.47	\$ 3,787.75
Grand Total	\$ 86,230.26	\$ 48,566.97

Appendix 8:
Detailed Credit Card Charges (Finance and Administration Director)

Local Restaurants (Finance and Administration Director)

Date	Description	Amount	Questionable and Abusive Cost
9/18/2000	Utage Restaurant	\$ 72.00	\$ 72.00
9/19/2000	Palace Hotel	\$ 8.00	\$ 8.00
9/29/2000	Guam Hilton	\$ 996.25	\$ 996.25
10/12/2000	Alupang Beach Tower	\$ 22.00	\$ 22.00
10/13/2000	Marty's Restaurant	\$ 28.90	\$ 28.90
12/5/2000	Joinus Restaurant	\$ 84.95	\$ 84.95
2/19/2001	Alupang Beach Tower	\$ 23.00	\$ 23.00
5/19/2001	Lonestar	\$ 74.18	\$ 74.18
5/24/2001	Manhattan Steakhouse	\$ 282.80	\$ 282.80
11/14/2001	Marriott	\$ 286.30	\$ 286.30
11/14/2001	VIP House	\$ 270.50	\$ 270.50
11/15/2001	Marriott	\$ 40.25	\$ 40.25
12/9/2001	Guam Hilton	\$ 225.00	\$ 225.00
11/11/2002	Utage Restaurant	\$ 35.00	\$ 35.00
Total for Local Restaurants		\$ 2,449.13	\$ 2,449.13

Local Entertainment (Finance and Administration Director)

Date	Description	Amount	Questionable and Abusive Cost
9/29/2000	Liaison Karaoke Box	\$ 250.00	\$ 250.00
10/17/2000	Liaison Karaoke Box	\$ 132.00	\$ 132.00
1/19/2001	Liaison Karaoke Box	\$ 534.00	\$ 534.00
1/26/2001	Talofofu Golf Resort	\$ 61.00	\$ 61.00
3/1/2001	Liaison Karaoke Box	\$ 772.00	\$ 772.00
5/24/2001	Talofofu Golf Resort	\$ 125.00	\$ 125.00
5/25/2001	Liaison Karaoke Box	\$ 531.50	\$ 531.50
7/8/2001	Bistro Bar	\$ 51.65	\$ 51.65
11/14/2002	Liaison Karaoke Box	\$ 267.50	\$ 267.50
Total for Local Entertainment		\$ 2,724.65	\$ 2,724.65

Travel Related Expenses (Finance and Administration Director)

Date	Description	Amount	Questionable and Abusive Cost
10/28/2000	Northwest Airlines	\$ 25.00	
10/29/2000	The Biltmore Hotel	\$ 2,001.22	\$ 2,001.22
11/2/2000	Hertz Rent A Car	\$ 388.52	\$ 388.52
11/2/2000	Ala Moana Hotel	\$ 729.37	\$ 729.37
11/19/2000	Outrigger Cairns Resort	\$ 191.63	\$ 191.63
11/22/2000	Novotel Sydney	\$ 631.97	\$ 631.97
11/22/2000	Hyatt Regency	\$ 29.27	\$ 29.27
1/4/2001	Amtrak	\$ 195.00	
2/12/2001	Hertz Rent A Car	\$ 902.29	
8/6/2001	Alaska Airlines Inc	\$ 1,437.51	

Travel Related Expenses (Finance and Administration Director)

Date	Description	Amount	Questionable and Abusive Cost
11/7/2001	Tokyo Hilton	\$ 112.53	\$ 112.53
11/8/2001	Tokyo Hilton	\$ 297.73	\$ 297.73
11/8/2001	Hilton Musashino Dynasty	\$ 498.46	\$ 498.46
11/7/2002	Hilton Tokyo	\$ 624.28	\$ 624.28
11/21/2002	Pacific Isl Aviation	\$ 163.36	\$ 163.36
Total for Travel Related Expenses		\$ 8,228.14	\$ 5,668.34

Off-Island Meals and Entertainment (Finance and Administration Director)

Date	Description	Amount	Questionable and Abusive Cost
10/24/2000	Grillfrish	\$ 333.24	\$ 333.24
10/26/2000	Biltmore Golf	\$ 354.14	
10/27/2000	Planeta Mexico	\$ 53.85	\$ 53.85
10/27/2000	Grillfrish	\$ 238.61	\$ 238.61
10/27/2000	Satchmo Blues Bar & Grill	\$ 77.30	\$ 77.30
10/27/2000	Satchmo Blues Bar & Grill	\$ 87.58	\$ 87.58
10/29/2000	Yum Yum Tree	\$ 32.03	\$ 32.03
10/30/2000	John Dominis	\$ 397.28	\$ 397.28
11/3/2000	Narita Airport Terminal	\$ 28.03	\$ 28.03
11/3/2000	Narita Airport Terminal	\$ 28.22	\$ 28.22
11/3/2000	Narita Airport Terminal	\$ 16.75	\$ 16.75
11/17/2000	Paradise Palms Golf	\$ 201.66	
11/18/2000	Waterfront Restaurant	\$ 269.80	\$ 269.80
11/20/2000	Nick's Seafood Rest	\$ 237.66	\$ 237.66
11/22/2000	Pontoon Bar	\$ 78.74	
1/3/2001	Sam & Harry's	\$ 160.53	\$ 160.53
1/6/2001	Pete's Tavern	\$ 122.60	\$ 122.60
1/17/2001	Raw Prawn Café	\$ 164.07	\$ 164.07
2/8/2001	Sam's Grill & Seafood	\$ 66.50	\$ 66.50
3/10/2001	Raw Prawn Café	\$ 485.23	\$ 485.23
3/11/2001	Taste of China Rest	\$ 257.87	\$ 257.87
3/12/2001	Paradise Palms Golf	\$ 170.85	
3/13/2001	Paradise Palms Golf	\$ 24.51	
8/3/2001	Biscuits and Blues	\$ 35.00	\$ 35.00
8/5/2001	Dine	\$ 396.71	\$ 396.71
11/8/2001	Marble Lounge St George	\$ 69.55	
11/5/2002	Club Rani	\$ 598.81	
11/5/2002	Roppongi Inakaya	\$ 651.84	
11/7/2002	Narita Airport Terminal	\$ 26.15	\$ 26.15
11/20/2002	Capricciosa	\$ 42.71	\$ 42.71
Total for Off-Island Meals and Entertainment		\$ 5,707.82	\$ 3,557.72

Other Charges (Finance and Administration Director)

Date	Description	Amount	Questionable and Abusive Cost
9/19/2000	IBC USA Conference	\$ 700.00	

Other Charges (Finance and Administration Director)

Date	Description	Amount	Questionable and Abusive Cost
9/19/2000	IBC USA Conference	\$ 300.00	
9/19/2000	IBC USA Conference	\$ 1,799.00	
9/19/2000	IBC USA Conference	\$ 300.00	
9/19/2000	IBC USA Conference	\$ 700.00	
9/19/2000	IBC USA Conference	\$ 300.00	
9/19/2000	IBC USA Conference	\$ 300.00	
9/19/2000	IBC USA Conference	\$ 700.00	
9/19/2000	IBC USA Conference	\$ 1,799.00	
9/19/2000	IBC USA Conference	\$ 1,799.00	
9/19/2000	IBC USA Conference	\$ 1,799.00	
9/19/2000	IBC USA Conference	\$ 700.00	
9/22/2000	AOL Service	\$ 21.95	
9/22/2000	Beyond Shop Symantec	\$ 63.95	
9/29/2000	Fellan Co	\$ 94.72	\$ 94.72
9/30/2000	Urban Fetch	\$ 200.26	\$ 200.26
10/5/2000	Handango	\$ 19.95	\$ 19.95
10/6/2000	AOL Service	\$ 21.95	
10/12/2000	AOL Service	\$ 29.35	
10/16/2000	IBC USA Conference	\$ 2,799.00	
10/16/2000	IBC USA Conference	\$ 2,799.00	
10/16/2000	IBC USA Conference	\$ 2,799.00	
10/20/2000	MPI Mobile Planet	\$ 99.95	
10/20/2000	MPI Mobile Planet	\$ 60.00	
10/22/2000	AOL Service	\$ 21.95	
10/27/2000	Clearco Inc	\$ 15.12	\$ 15.12
11/1/2000	Sam Goody	\$ 55.18	\$ 55.18
11/1/2000	Franklin Covey	\$ 36.65	
11/6/2000	AOL Online Service	\$ 21.95	
11/12/2000	AOL Online Service	\$ 37.55	
11/16/2000	Audio Vision Center	\$ 25.00	\$ 25.00
11/22/2000	AOL Service	\$ 21.95	
12/2/2000	AOL Service	\$ 21.95	
12/6/2000	AOL Service	\$ 21.95	
12/12/2000	AOL Service	\$ 34.55	
12/22/2000	AOL Service	\$ 21.95	
12/22/2000	Rhino Skin Inc	\$ 223.90	\$ 223.90
12/24/2000	Ave Maria Gift Shop	\$ 107.25	\$ 107.25
1/1/2001	AOL Service	\$ 89.05	
1/6/2001	AOL Service	\$ 21.95	
1/8/2001	AOL Service	\$ 45.90	
1/12/2001	AOL Service	\$ 22.95	
1/15/2001	AOL Service	\$ 35.90	
1/17/2001	AOL Service	\$ 40.94	
1/18/2001	AOL Service	\$ 19.95	
1/22/2001	AOL Service	\$ 21.95	
2/1/2001	AOL Service	\$ 101.55	

Other Charges (Finance and Administration Director)

Date	Description	Amount	Questionable and Abusive Cost
2/6/2001	AOL Service	\$ 21.95	
2/8/2001	AOL Service	\$ 35.90	
2/12/2001	AOL Service	\$ 40.45	
2/22/2001	AOL Service	\$ 21.95	
3/2/2001	AOL Service	\$ 105.85	
3/6/2001	AOL Service	\$ 21.95	
3/15/2001	AOL Service	\$ 45.90	
3/15/2001	AOL Service	\$ 104.75	
3/22/2001	AOL Service	\$ 21.95	
4/1/2001	AOL Service	\$ 21.95	
5/11/2001	Digital River Inn	\$ 79.95	
5/12/2001	AOL Service	\$ 55.50	
6/12/2001	AOL Service	\$ 62.25	
6/29/2001	American Tourister	\$ 108.49	\$ 108.49
7/12/2001	AOL Service	\$ 72.80	
8/12/2001	AOL Service	\$ 209.20	
8/17/2001	McAfee.com	\$ 39.95	
9/11/2001	*	\$ 78.59	\$ 78.59
9/12/2001	AOL Service	\$ 105.80	
9/14/2001	*	\$ 21.30	\$ 21.30
9/14/2001	Registernow	\$ 24.00	\$ 24.00
9/26/2001	*	\$ 27.40	\$ 27.40
10/12/2001	Premium Services	\$ 8.20	\$ 8.20
10/12/2001	AOL Service	\$ 209.80	
10/13/2001	Consumer Reports	\$ 3.95	
10/26/2001	*	\$ 82.00	\$ 82.00
10/26/2001	*	\$ 132.75	\$ 132.75
10/31/2001	*	\$ 172.50	\$ 172.50
11/7/2001	BIC Camera Shinjuku East	\$ 69.45	\$ 69.45
11/12/2001	Premium Services	\$ 4.95	\$ 4.95
11/12/2001	AOL Service	\$ 219.59	
11/14/2001	Consumer Reports	\$ 3.95	
12/12/2001	Premium Services	\$ 4.95	\$ 4.95
12/12/2001	AOL Service	\$ 229.10	
12/15/2001	Consumer Reports	\$ 3.95	
11/5/2002	2nd Terminal South Wing	\$ 153.97	\$ 153.97
7/8/2003	AOL Service	\$ 23.90	
Total for Miscellaneous Charges		\$ 23,922.96	\$ 1,629.93

Recap: Between October 2000 and July 2003, the former Finance and Administration Director charged \$43,033 to his GEDCA credit card. In total, we questioned \$16,030 in credit card charges, specifically \$2,449 in local restaurants, \$2,725 in local entertainment, \$5,668 in travel related expenses, \$3,558 in off-island restaurants, and \$1,630 in other charges. See Table 16 for a breakdown of questionable and abusive charges.

Table 16: Breakdown of Finance and Administration Director’s Credit Card Charges

Finance and Administration Director’s Expenses	Total Credit Card Charges	Questionable and Abusive Costs
Total for Local Restaurants	\$ 2,449.13	\$ 2,449.13
Total for Local Entertainment	\$ 2,724.65	\$ 2,724.65
Total for Travel Related Expenses	\$ 8,228.14	\$ 5,668.34
Total for Off-Island Meals and Entertainment	\$ 5,707.82	\$ 3,557.72
Total for Miscellaneous Charges	\$ 23,922.96	\$ 1,629.93
Grand Total	\$ 43,032.70	\$ 16,029.77

Appendix 9:**Detailed Credit Card Charges (Special Projects Coordinator)**

Local Restaurants (Special Projects Coordinator)

Date	Description	Amount	Questionable and Abusive Cost
9/18/2000	Hy's Steakhouse	\$ 645.34	\$ 645.34
9/18/2000	Seahorse Restaurant	\$ 112.70	\$ 112.70
9/27/2000	Lonestar	\$ 72.21	\$ 72.21
10/26/2000	Guam Hilton	\$ 223.50	\$ 223.50
11/3/2000	Guam Hilton	\$ 145.55	\$ 145.55
11/14/2000	Alupang Beach Tower	\$ 35.00	\$ 35.00
12/10/2000	Alupang Beach Tower	\$ 103.50	\$ 103.50
12/16/2000	Hyatt	\$ 250.00	\$ 250.00
1/11/2001	VIP House	\$ 280.00	\$ 280.00
1/12/2001	Sandcastle Inc	\$ 79.90	\$ 79.90
1/13/2001	Capricciosa	\$ 120.27	\$ 120.27
1/31/2001	Fujiya Restaurant	\$ 189.57	\$ 189.57
2/14/2001	Marty's Restaurant	\$ 114.56	\$ 114.56
2/20/2001	Marriott	\$ 617.35	\$ 617.35
2/28/2001	Guam Hilton	\$ 39.55	\$ 39.55
3/1/2001	Issin Restaurant	\$ 227.00	\$ 227.00
4/27/2001	Roy's Restaurant	\$ 532.00	\$ 532.00
6/19/2001	Issin Restaurant	\$ 292.00	\$ 292.00
6/20/2001	VIP House	\$ 509.00	\$ 509.00
7/4/2001	Carmen's Cha Cha Cha	\$ 69.75	\$ 69.75
8/15/2001	Lonestar	\$ 36.00	\$ 36.00
12/2/2001	Hyatt	\$ 48.00	\$ 48.00
1/22/2002	PIC - Bistro	\$ 135.53	\$ 135.53
3/2/2002	Issin Restaurant	\$ 319.00	\$ 319.00
3/11/2002	Hanaya Rest	\$ 782.90	\$ 782.90
6/10/2002	Oriental Restaurant	\$ 80.00	\$ 80.00
6/24/2002	PIC - Bistro	\$ 130.15	\$ 130.15
6/24/2002	VIP House	\$ 421.00	\$ 421.00
6/27/2002	Hyatt	\$ 335.80	\$ 335.80
7/15/2002	Hyatt	\$ 102.20	\$ 102.20
8/6/2002	Utage Restaurant	\$ 180.95	\$ 180.95
8/15/2002	Hyatt	\$ 52.00	\$ 52.00
8/26/2002	Hyatt	\$ 872.75	\$ 872.75
9/6/2002	Issin Restaurant	\$ 452.00	\$ 452.00
9/13/2002	Talofofu Golf Restau	\$ 23.75	\$ 23.75
9/13/2002	Talofofu Golf Restau	\$ 330.55	\$ 330.55
9/24/2002	Hyatt	\$ 87.15	\$ 87.15
10/1/2002	Joinus Restaurant	\$ 147.94	\$ 147.94
10/11/2002	PIC - Bistro	\$ 129.27	\$ 129.27
10/24/2002	Hyatt	\$ 97.40	\$ 97.40
10/29/2002	Bistro Tei	\$ 116.20	\$ 116.20
11/12/2002	Guam Hilton	\$ 78.15	\$ 78.15
11/14/2002	Y'Kusina	\$ 77.25	\$ 77.25

Local Restaurants (Special Projects Coordinator)

Date	Description	Amount	Questionable and Abusive Cost
Total for Local Restaurants		\$ 9,694.69	\$ 9,694.69

Local Entertainment (Special Projects Coordinator)

Date	Description	Amount	Questionable and Abusive Cost
9/19/2000	Kitano Zaka	\$ 496.00	\$ 496.00
12/14/2000	Liaison Karaoke Box	\$ 68.00	\$ 68.00
12/14/2000	Mariposa Karaoke Lounge	\$ 21.00	\$ 21.00
12/15/2000	Kitano Zaka	\$ 2,000.00	\$ 2,000.00
1/24/2001	Liaison Karaoke Box	\$ 558.00	\$ 558.00
2/21/2001	Talofofu Golf Resort	\$ 82.00	\$ 82.00
2/21/2001	Liaison Karaoke Box	\$ 404.80	\$ 404.80
3/16/2001	Talofofu Golf Resort	\$ 108.00	\$ 108.00
3/23/2001	Liaison Karaoke Box	\$ 703.00	\$ 703.00
3/29/2001	Liaison Karaoke Box	\$ 420.50	\$ 420.50
5/6/2001	Liaison Karaoke Box	\$ 247.00	\$ 247.00
6/6/2001	Liaison Karaoke Box	\$ 688.50	\$ 688.50
8/9/2001	Talofofu Golf Resort	\$ 34.25	\$ 34.25
10/26/2001	Alindog Karaoke Lounge	\$ 347.00	\$ 347.00
11/16/2001	Talofofu Golf Resort	\$ 23.00	\$ 23.00
11/16/2001	Talofofu Golf Resort	\$ 156.00	\$ 156.00
1/11/2002	Alindog Karaoke Lounge	\$ 94.00	\$ 94.00
3/9/2002	Akasaka Rikyu	\$ 76.50	\$ 76.50
6/1/2002	Mac & Marti's	\$ 34.00	\$ 34.00
6/2/2002	3-9 Madam Tokyo	\$ 193.00	\$ 193.00
6/6/2002	C'est La Vie	\$ 476.00	\$ 476.00
6/26/2002	Osung Karaoke	\$ 285.00	\$ 285.00
7/18/2002	Osung Karaoke	\$ 315.00	\$ 315.00
7/24/2002	Pelin's Place	\$ 119.00	\$ 119.00
7/26/2002	New Wai Wai Club	\$ 206.00	\$ 206.00
8/16/2002	Pelin's Place	\$ 74.00	\$ 74.00
8/24/2002	C'est La Vie	\$ 195.00	\$ 195.00
8/26/2002	Pelin's Place	\$ 36.00	\$ 36.00
9/1/2002	Fishbowl	\$ 94.80	\$ 94.80
9/12/2002	Hyatt	\$ 1,395.45	\$ 1,395.45
Total for Local Entertainment		\$ 9,950.80	\$ 9,950.80

Travel Related Expenses (Special Projects Coordinator)

Date	Description	Amount	Questionable and Abusive Cost
10/3/2000	Alamo Rent-A-Car	\$ 308.68	
10/18/2000	Hotel Inter-Continental	\$ 10.02	\$ 10.02
10/18/2000	Hotel Inter-Continental	\$ 3,225.52	\$ 3,225.52
11/22/2000	Amtrak	\$ 122.00	\$ 122.00
11/22/2000	Amtrak	\$ 122.00	
11/22/2000	US Airways	\$ 169.00	
11/22/2000	US Airways	\$ 169.00	

Travel Related Expenses (Special Projects Coordinator)

Date	Description	Amount	Questionable and Abusive Cost
11/28/2000	Ala Moana Hotel	\$ 36.00	\$ 36.00
11/29/2000	National Car Rental	\$ 186.10	
11/30/2000	Airport Carts LLC	\$ 1.50	\$ 1.50
12/22/2000	Mandarin	\$ 240.62	\$ 240.62
1/29/2001	Smarte Carte	\$ 2.00	\$ 2.00
1/31/2001	Smarte Carte	\$ 2.00	\$ 2.00
1/31/2001	National Car Rental	\$ 378.69	
2/2/2001	National Car Rental	\$ 153.73	
2/5/2001	Union 76	\$ 10.00	
2/6/2001	Enterprise Rentacar	\$ 260.08	
2/6/2001	Ala Moana Hotel	\$ 60.20	\$ 60.20
2/27/2001	Smarte Carte	\$ 2.00	\$ 2.00
2/27/2001	Smarte Carte	\$ 2.00	\$ 2.00
4/27/2001	First Union Travel	\$ 309.50	\$ 309.50
5/11/2001	Airport Carts LLC	\$ 1.50	\$ 1.50
5/12/2001	Hertz Rent A Car	\$ 341.78	
5/16/2001	American Airlines	\$ 100.00	
5/21/2001	American Airlines	\$ 100.00	
5/22/2001	National Car Rental	\$ 222.10	
6/9/2001	Grand Formosa Regent	\$ 33.32	\$ 33.32
9/4/2001	Regal Airport Hotel Hong	\$ 11.22	
9/8/2001	Palace Hotel Beijing	\$ 136.36	
9/10/2001	Miat Mongolian Airlines	\$ 300.00	
9/12/2001	Hongqiao Intl Airport	\$ 86.85	
9/12/2001	Hyatt Regency	\$ 308.33	
9/13/2001	El Comedor	\$ 285.21	
9/14/2001	Dusit Nikko Hotel Manila	\$ 63.04	
9/14/2001	Dusit Nikko Hotel Manila	\$ 228.88	
9/14/2001	Continental	\$ 145.00	
10/30/2001	Smarte Carte	\$ 2.00	\$ 2.00
10/30/2001	Smarte Carte	\$ 2.00	\$ 2.00
10/30/2001	Smarte Carte	\$ 2.00	\$ 2.00
1/18/2002	Makiki Shell	\$ 22.00	
1/20/2002	Prince Hotels	\$ 1,443.28	\$ 1,443.28
2/6/2002	Hotel Res Network	\$ 115.00	\$ 115.00
2/21/2002	National Car Rental	\$ 212.30	
2/22/2002	Smarte Carte	\$ 2.00	\$ 2.00
2/22/2002	Smarte Carte	\$ 2.00	\$ 2.00
3/25/2002	Grand Hyatt	\$ 994.71	
3/25/2002	Grand Hyatt	\$ 9.74	
3/27/2002	Hyatt Regency	\$ 178.73	
3/31/2002	White Swan Hotel	\$ 853.53	
3/31/2002	GD Foreign Businessmen	\$ 716.47	
4/2/2002	Grand Hyatt	\$ 227.10	
4/5/2002	Dusit Nikko Hotel Manila	\$ 339.82	
4/19/2002	National Car Rental	\$ 329.81	
4/19/2002	Ala Moana Hotel	\$ 440.97	\$ 440.97

Travel Related Expenses (Special Projects Coordinator)

Date	Description	Amount	Questionable and Abusive Cost
5/3/2002	Smarte Carte	\$ 2.00	\$ 2.00
5/21/2002	Shanghai Hilton	\$ 868.24	
5/21/2002	Holton Hotel	\$ 301.14	
5/24/2002	SY Marriott	\$ 7.08	
5/24/2002	SY Marriott	\$ 375.25	
6/1/2002	SY Marriott	\$ 112.16	
7/6/2002	Tokyo International	\$ 161.30	\$ 161.30
7/6/2002	Tokyo International	\$ 351.82	\$ 351.82
7/7/2002	Grand Hyatt	\$ 103.98	\$ 103.98
10/17/2002	Grand Hyatt	\$ 471.38	
10/17/2002	Grand Hyatt	\$ 21.72	
10/21/2002	Hyatt Regency	\$ 389.52	
10/21/2002	GD Foreign Businessmen	\$ 144.24	
11/7/2002	Hilton Tokyo	\$ 309.00	\$ 309.00
11/21/2002	National Car Rental	\$ 296.87	
11/24/2002	Sheraton Hotels	\$ 296.47	
Total for Travel Related Expenses		\$ 18,239.86	\$ 6,985.53

Off-Island Meals and Entertainment (Special Projects Coordinator)

Date	Description	Amount	Questionable and Abusive Cost
10/13/2000	Park Avalon	\$ 592.01	\$ 592.01
10/13/2000	20/20 Food & Beverage	\$ 45.00	\$ 45.00
10/13/2000	Ideal Restaurant	\$ 66.00	\$ 66.00
10/14/2000	Sardis	\$ 70.16	\$ 70.16
12/1/2000	Station Grill	\$ 82.12	\$ 82.12
12/1/2000	Ruby Foos	\$ 203.00	\$ 203.00
12/23/2000	Caesar KTV	\$ 36.35	\$ 36.35
2/5/2001	Ruths Chris Steak House	\$ 109.77	\$ 109.77
5/11/2001	Café Fiorello	\$ 53.31	\$ 53.31
5/15/2001	Don Giovanni Rest	\$ 42.55	\$ 42.55
9/7/2001	Beijing Shun Feng Rest &	\$ 776.60	
9/14/2001	Isshin Japanese Rest	\$ 71.36	
1/15/2002	The New Office	\$ 459.00	\$ 459.00
1/16/2002	Sansei Seafood	\$ 111.65	\$ 111.65
1/17/2002	Capricciosa	\$ 64.92	\$ 64.92
2/16/2002	Kang Suh Restaurant	\$ 138.00	\$ 138.00
2/17/2002	Congee Village Bar	\$ 111.00	
2/20/2002	Gyu Kaku Restaurant	\$ 210.00	\$ 210.00
4/16/2002	The New Office	\$ 542.00	\$ 542.00
4/18/2002	Ryan's Grill	\$ 90.18	\$ 90.18
5/24/2002	CJ Food System	\$ 40.55	
5/24/2002	CJ Food System	\$ 2.45	
7/3/2002	Inakaya Roppongi Higashi	\$ 777.44	
7/5/2002	Tanya Matabei	\$ 839.26	
7/6/2002	Club Rani	\$ 780.93	
10/21/2002	Sky Dance Hong Kong	\$ 23.57	

Off-Island Meals and Entertainment (Special Projects Coordinator)

Date	Description	Amount	Questionable and Abusive Cost
Total for Off-Island Meals and Entertainment		\$ 6,339.18	\$ 2,916.02

Other Charges (Special Projects Coordinator)

Date	Description	Amount	Questionable and Abusive Cost
10/1/2000	MWI Microwarehouse	\$ 2,786.18	
10/4/2000	MWI Microwarehouse	\$ 466.79	
10/6/2000	Microsoft	\$ 95.26	
10/7/2000	MWI Microwarehouse	\$ 72.58	
10/10/2000	MWI Microwarehouse	\$ 118.23	
10/15/2000	Old Navy	\$ 100.00	\$ 100.00
10/20/2000	MWI Microwarehouse	\$ 517.88	
1/22/2001	Thomson Fin Conf Ex	\$ 225.00	
9/4/2001	Free Duty	\$ 127.13	\$ 127.13
9/4/2001	Free Duty	\$ 102.47	\$ 102.47
9/9/2001	Sansar Bridge LTD	\$ 81.00	\$ 81.00
9/25/2001	*	\$ 25.70	\$ 25.70
9/26/2001	*	\$ 169.00	\$ 169.00
10/20/2001	*	\$ 168.00	\$ 168.00
10/26/2001	*	\$ 46.48	\$ 46.48
1/13/2002	Pac Telecommunications	\$ 1,250.00	
1/13/2002	Pac Telecommunications	\$ 40.00	
2/20/2002	Jerry Crow	\$ 19.50	\$ 19.50
2/21/2002	Radisson Lax	\$ 14.00	\$ 14.00
5/14/2002	D&B	\$ 24.50	
10/17/2002	Friendship Camera & AV	\$ 51.80	\$ 51.80
10/29/2002	Tamuning	\$ 165.00	\$ 165.00
11/6/2002	Ikaya Shinjyukunishigu	\$ 315.20	\$ 315.20
12/17/2002	Cost U Less	\$ 809.70	\$ 809.70
Total for Other Charges		\$ 7,791.40	\$ 2,194.98

Recap: Between October 2000 and December 2002, the former Special Projects Coordinator charged \$52,016 to his GEDCA credit card. In total, we questioned \$31,742 in credit card charges, specifically \$9,695 in local restaurants, \$9,951 in local entertainment, \$6,986 in travel related expenses, \$2,916 in off-island restaurants, and \$2,195 in other charges. See Table 17 for a breakdown of questionable and abusive charges.

Table 17: Breakdown of Special Project Coordinator's Credit Card Charges

Special Project Coordinators' Expenses	Total Credit Card Charges	Questionable and Abusive Costs
Total for Local Restaurants	\$ 9,694.69	\$ 9,694.69
Total for Local Entertainment	\$ 9,950.80	\$ 9,950.80
Total for Travel Related Expenses	\$ 18,239.86	\$ 6,985.53
Total for Off-Island Meals and Entertainment	\$ 6,339.18	\$ 2,916.02
Total for Miscellaneous Charges	\$ 7,791.40	\$ 2,194.98
Grand Total	\$ 52,015.93	\$ 31,742.02

Appendix 10:**Detailed Credit Card Charges (Business Development Manager)****Meals and Entertainment (Business Development Manager)**

Date	Description	Amount	Questionable and Abusive Cost
3/19/2001	Central Lanes	\$ 48.00	\$ 48.00
5/3/2001	Luby's Cafeteria	\$ 34.43	\$ 34.43
7/7/2001	Lonestar	\$ 137.62	\$ 137.62
7/9/2001	Shirley's Coffee Shop	\$ 86.50	\$ 86.50
4/27/2002	Kobe Restaurant	\$ 157.45	\$ 157.45
11/23/2002	Jamaican Grill	\$ 58.00	\$ 58.00
Total for Meals and Entertainment		\$ 522.00	\$ 522.00

Travel Related Expenses (Business Development Manager)

Date	Description	Amount	Questionable and Abusive Cost
4/20/2001	Northwest Airlines	\$ 1,128.00	
4/25/2001	GTM Oil Co	\$ 24.76	
4/27/2001	Chevron	\$ 25.42	
4/28/2001	Arco Paypoint	\$ 15.87	
4/29/2001	Advantage Rent A Car	\$ 380.82	
4/29/2001	Rapid Gas Inc	\$ 13.55	
5/1/2001	Dollar Rent A Car	\$ 303.53	
5/4/2001	Continental	\$ 1,235.98	
5/4/2001	HEB Gas Station	\$ 5.97	
5/6/2001	Union 76	\$ 31.23	
3/24/2002	North Conway Grand	\$ 133.05	\$ 133.05
3/30/2002	Bradford Home Suites	\$ 12.98	\$ 12.98
3/30/2002	Enterprise Rentacar	\$ 544.11	
4/9/2002	Northwest Airlines	\$ 1,011.50	
11/25/2002	Continental	\$ 2,848.00	
Total for Travel Related Expenses		\$ 7,714.77	\$ 146.03

Other Charges (Business Development Manager)

Date	Description	Amount	Questionable and Abusive Cost
10/31/2000	MWI Microwarehouse	\$ 237.28	
11/1/2000	MWI Microwarehouse	\$ 47.44	
11/11/2000	MWI Microwarehouse	\$ 64.88	
11/27/2000	PC Outlet	\$ 14.99	
11/27/2000	The Best American Tools	\$ 134.91	\$ 134.91
11/28/2000	PC Outlet	\$ 159.39	
11/28/2000	Computer Pro Warehouse	\$ 12.95	
12/12/2000	Network Solutions	\$ 70.00	
1/20/2001	PC Outlet	\$ 89.98	
1/21/2001	Bestseller	\$ 24.99	\$ 24.99
1/23/2001	4 Front Technologies	\$ 35.00	
1/24/2001	DR *V Communications	\$ 19.95	

Other Charges (Business Development Manager)

Date	Description	Amount	Questionable and Abusive Cost
1/24/2001	DR *V Communications	\$ 34.95	
1/30/2001	PC Outlet	\$ 79.00	
2/10/2001	Navy Exchange	\$ 35.99	\$ 35.99
2/13/2001	PC Outlet	\$ 299.00	
2/22/2001	PC Outlet	\$ 39.98	
2/23/2001	National Office Supply	\$ 491.44	
2/27/2001	Star Press	\$ 124.00	
3/28/2001	Navy Exchange	\$ 25.37	\$ 25.37
4/6/2001	Navy Exchange	\$ 269.99	\$ 269.99
4/17/2001	Spearnet	\$ 25.95	
4/25/2001	Verizon Wireless	\$ 153.98	
4/25/2001	Borders Books & Music	\$ 118.23	\$ 118.23
4/29/2001	W.H. Smith	\$ 5.39	\$ 5.39
5/4/2001	Lavine BMC Technology	\$ 5,728.50	
5/9/2001	Red Hat Inc	\$ 301.70	
5/10/2001	Navy Exchange	\$ 303.35	\$ 303.35
5/10/2001	Guam Main Retail Store	\$ 196.95	\$ 196.95
5/23/2001	MWI Microwarehouse	\$ 749.10	
5/23/2001	MWI Microwarehouse	\$ 273.32	
5/24/2001	Ebatts.com	\$ 174.95	
5/29/2001	PC Outlet	\$ 36.75	
5/30/2001	USPS	\$ 26.20	
5/31/2001	MWI Microwarehouse	\$ 183.59	
6/6/2001	Spearnet	\$ 15.95	
6/8/2001	Direct One Com.Long	\$ 48.69	
6/26/2001	Spearnet	\$ 15.95	
7/7/2001	Cost U Less	\$ 75.91	\$ 75.91
7/7/2001	Cost U Less	\$ 2.50	\$ 2.50
7/8/2001	Guam Main Retail Store	\$ 326.94	\$ 326.94
7/10/2001	Cost U Less	\$ 21.05	\$ 21.05
7/10/2001	Long Distance Subscr	\$ 45.50	
7/11/2001	MWI Microwarehouse	\$ 87.37	
7/11/2001	MWI Microwarehouse	\$ 532.49	
7/11/2001	MWI Microwarehouse	\$ 108.24	
7/11/2001	MWI Microwarehouse	\$ 327.86	
7/12/2001	Cost U Less	\$ 5.97	\$ 5.97
7/13/2001	T. Shipley	\$ 214.95	\$ 214.95
7/13/2001	T. Shipley	\$ 214.95	
7/15/2001	Golden Marketing	\$ 180.88	
7/17/2001	Stellacon Corporation	\$ 3,700.00	
7/23/2001	Stellacon Corporation	\$ 3,700.00	
7/26/2001	MWI Microwarehouse	\$ 786.11	
7/26/2001	MWI Microwarehouse	\$ 53.17	
7/27/2001	Spearnet	\$ 12.75	
7/30/2001	Mr. Surplus	\$ 10.00	\$ 10.00
8/6/2001	UOG-CCE-OP	\$ 200.00	
8/10/2001	L.D. Calling Plan	\$ 48.79	

Other Charges (Business Development Manager)

Date	Description	Amount	Questionable and Abusive Cost
8/23/2001	PC Outlet	\$ 631.28	
8/25/2001	Bestseller	\$ 19.95	\$ 19.95
8/28/2001	Spearnet	\$ 12.75	
9/10/2001	L.D. Calling Plan	\$ 48.79	
9/20/2001	Performance Solution	\$ 950.00	
9/20/2001	PC Outlet	\$ 51.75	
9/25/2001	Spearnet	\$ 12.75	
10/10/2001	L.D. Calling Plan	\$ 48.79	
10/14/2001	Solcom	\$ 313.75	
10/16/2001	*	\$ 189.00	\$ 189.00
10/17/2001	*	\$ 123.26	\$ 123.26
10/23/2001	*	\$ 24.99	\$ 24.99
10/24/2001	PC Outlet	\$ 168.95	
10/25/2001	Spearnet	\$ 12.75	
10/27/2001	MWI Microwarehouse	\$ 135.69	
10/27/2001	MWI Microwarehouse	\$ 248.98	
10/27/2001	Guam Main Retail Store	\$ 67.87	
10/28/2001	Navy Exchange	\$ 169.98	\$ 169.98
10/29/2001	Micro Warehouse	\$ 785.60	
11/2/2001	Guam Main Retail Store	\$ 238.90	\$ 238.90
11/5/2001	PC Outlet	\$ 95.00	
11/8/2001	MWI Microwarehouse	\$ 72.94	
11/12/2001	MWI Microwarehouse	\$ 766.42	
11/26/2001	Long Distance Service	\$ 48.79	
11/26/2001	Spearnet	\$ 12.75	
11/26/2001	MWI Microwarehouse	\$ 1,839.85	
11/27/2001	Verisign	\$ 54.00	\$ 54.00
11/27/2001	PC Outlet	\$ 139.90	
11/30/2001	Guam Main Retail Store	\$ 95.00	\$ 95.00
12/8/2001	Guam Main Retail Store	\$ 79.95	\$ 79.95
12/10/2001	PC Outlet	\$ 417.85	
12/11/2001	Lucky Discount Outlet	\$ 149.95	
12/20/2001	Performance Solution	\$ 80.00	
12/22/2001	National Office Supply	\$ 280.76	
12/27/2001	Spearnet	\$ 12.75	
1/9/2002	Amazon.com	\$ 73.94	\$ 73.94
1/19/2002	Navy Exchange	\$ 61.98	\$ 61.98
1/24/2002	Spearnet	\$ 12.75	
1/25/2002	Planet Earth	\$ 48.79	
2/16/2002	Stellacon Corporation	\$ 500.00	
2/19/2002	Spearnet	\$ 12.75	
2/24/2002	PC Outlet	\$ 45.00	
2/24/2002	PC Outlet	\$ 299.00	
3/9/2002	WirelessCall	\$ 12.05	
3/19/2002	Spearnet	\$ 12.75	
3/24/2002	Stereo 2000	\$ 108.24	\$ 108.24
3/25/2002	Eagle Postal Center	\$ 61.78	

Other Charges (Business Development Manager)

Date	Description	Amount	Questionable and Abusive Cost
3/28/2002	Compusa	\$ 114.71	
4/1/2002	LD Calling Plan	\$ 48.79	
4/1/2002	LD Calling Plan	\$ 48.79	
4/9/2002	Paypal	\$ 1,485.00	
4/14/2002	Spearnet	\$ 12.75	
4/15/2002	Paypal	\$ 528.01	
4/18/2002	Registernow	\$ 30.00	\$ 30.00
4/23/2002	PC Outlet	\$ 561.00	
4/25/2002	Megabyte	\$ 105.52	
4/30/2002	MWI Microwarehouse	\$ 92.97	
5/1/2002	LD Calling Plan	\$ 44.95	
5/15/2002	Spearnet	\$ 12.75	
6/5/2002	Megabyte	\$ 200.00	
6/6/2002	Megabyte	\$ 200.00	
6/11/2002	Spearnet	\$ 12.75	
6/19/2002	PC Outlet	\$ 139.99	
6/20/2002	Computer 2000	\$ 140.42	
7/11/2002	Kmart	\$ 45.39	\$ 45.39
7/13/2002	Ace Hardware	\$ 24.32	\$ 24.32
7/17/2002	Spearnet	\$ 12.75	
8/16/2002	Spearnet	\$ 12.75	
9/3/2002	E Book System In	\$ 139.95	
9/5/2002	Gateway	\$ 14.60	
9/17/2002	Standard Office Supply	\$ 89.95	
9/17/2002	Spearnet	\$ 12.75	
10/2/2002	National Office Supply	\$ 413.80	
10/4/2002	Standard Office Supply	\$ 89.95	
10/7/2002	National Office Supply	\$ 52.20	
10/16/2002	Verisign	\$ 75.00	\$ 75.00
10/16/2002	Spearnet	\$ 12.75	
10/30/2002	Symantec	\$ 15.55	
11/18/2002	Spearnet	\$ 12.75	
11/22/2002	Society for Human Resourc	\$ 700.00	
12/17/2002	Spearnet	\$ 12.75	
1/1/2003	Compubiz	\$ 2,739.00	
1/1/2003	PC Outlet	\$ 207.00	
1/2/2003	Computer 2000	\$ 930.88	
1/3/2003	Computer 2000	\$ 177.95	
1/5/2003	Guam Main Retail Store	\$ 136.90	\$ 136.90
1/6/2003	PC Outlet	\$ 230.74	
1/6/2003	PC Outlet	\$ 220.00	
1/7/2003	Gateway	\$ 399.60	
1/9/2003	Compubiz	\$ 374.00	
1/10/2003	Computer 2000	\$ 63.48	
1/13/2003	Compubiz	\$ 539.00	
1/14/2003	Computer 2000	\$ 78.68	
1/16/2003	Computer 2000	\$ 143.87	

Other Charges (Business Development Manager)

Date	Description	Amount	Questionable and Abusive Cost
1/17/2003	Spearnet	\$ 12.75	
1/21/2003	Compubiz	\$ 399.00	
1/21/2003	Standard Office Supply	\$ 323.08	
1/23/2003	Pacific Data Systems	\$ 1,435.00	
1/23/2003	Directron.Com	\$ 266.02	
1/23/2003	Copy Express	\$ 64.35	
1/25/2003	Spearnet	\$ 12.75	
1/27/2003	Microsoft	\$ 184.00	
1/27/2003	www.platinum-deal.com	\$ 44.90	\$ 44.90
1/30/2003	Copy Express	\$ 458.37	
2/11/2003	Dtidata.com	\$ 599.00	
2/17/2003	Spearnet	\$ 12.75	
3/19/2003	Spearnet	\$ 12.75	
4/17/2003	Spearnet	\$ 12.75	
Total for Other Charges		\$ 46,570.36	\$ 3,368.19

Recap: Between October 2000 and April 2003, the former Business Development Manager (former BDM) charged \$54,807 to his GEDCA credit card. Of this amount, we questioned a total of \$4,036 in charges, specifically \$440 at local restaurants, \$48 for local entertainment, \$180 for additional charges made while provided per diem, and \$3,368 in miscellaneous charges. See Table 18 for a breakdown of these charges.

Table 18: Breakdown of Business Development Manager’s Credit Card Charges

Business Development Manager’s Expenses	Total Credit Card Charges	Questionable and Abusive Costs
Total for Meals and Entertainment	\$ 522.00	\$ 522.00
Total for Travel Related Expenses	\$ 7,714.77	\$ 146.03
Total for Miscellaneous Charges	\$ 46,570.36	\$ 3,368.19
Grand Total	\$ 54,807.13	\$ 4,036.22

Appendix 11:
Detailed Credit Card Charges (Former Industry Development Manager)

Local Restaurants (Former Industry Development Manager)

Date	Description	Amount
11/10/2000	Kings Restaurant	\$ 27.15
11/15/2000	Pizza Hut	\$ 30.99
2/4/2001	Old Hagatna Bar & Grill	\$ 114.75
2/7/2001	Okura Hotel	\$ 88.00
4/8/2001	Lonestar	\$ 56.44
4/20/2001	Kings Restaurant	\$ 25.48
5/30/2001	Hyatt	\$ 104.50
6/7/2001	Capricciosa	\$ 88.86
6/14/2001	Lonestar	\$ 76.70
6/15/2001	Carmen's Cha Cha Cha	\$ 58.00
7/30/2001	Marty's Restaurant	\$ 21.45
8/15/2001	Joinus Restaurant	\$ 77.90
8/22/2001	Firefly	\$ 56.40
11/5/2001	Kings Restaurant	\$ 8.75
11/12/2001	Marriott	\$ 44.25
1/23/2002	Marriott	\$ 122.10
1/24/2002	Marriott	\$ 423.80
4/26/2002	Lonestar	\$ 157.15
Total for Local Restaurants		\$ 1,582.67

Travel Related Expenses (Former Industry Development Manager)

Date	Description	Amount
10/27/2000	The Biltmore Hotel	\$ 744.33
11/3/2000	Hilton Hawaiian	\$ 770.23
11/17/2000	Ansett Australia	\$ 95.79
11/20/2000	Sydney Airporter	\$ 72.02
4/11/2001	Continental	\$ 213.46
4/14/2001	Grand Hyatt	\$ 1,342.35
5/1/2001	Sojat Transportation	\$ 25.00
5/4/2001	Hyatt Regency	\$ 16.85
5/4/2001	Hyatt Regency	\$ 1,909.04
10/22/2001	Alamo Rent-A-Car	\$ 142.08
10/22/2001	Continental	\$ 1,850.06
10/26/2001	Hilton Waikoloa	\$ 23.44
10/27/2001	National Car Rental	\$ 50.33
10/27/2001	Alamo Rent-A-Car	\$ 40.27
10/28/2001	Hilton	\$ 1,402.26
11/1/2001	Hilton	\$ 727.46
11/3/2001	National Car Rental	\$ 175.39
1/11/2002	Prince Hotels	\$ 57.79
1/17/2002	Prince Hotels	\$ 1,011.79
1/20/2002	Hilton	\$ 534.19
1/25/2002	Hilton	\$ 19.27
Total for Travel Related Expenses		\$ 11,223.40

Off-Island Meals and Entertainment (Former Industry Development Manager)

Date	Description	Amount
10/25/2000	The Cheesecake Factory	\$ 76.91
11/3/2000	Narita Airport Terminal	\$ 14.11
11/18/2000	Spar Restaurant Bar	\$ 42.28
11/19/2000	Café Fioriani's	\$ 36.32
11/23/2000	Nick's Seafood Rest	\$ 393.71
1/14/2001	Red Lobster	\$ 94.16
1/16/2001	Haleiwa Joe's	\$ 109.88
3/6/2001	McCormick & Schmick	\$ 35.40
3/7/2001	McCormick & Schmick	\$ 167.99
5/1/2001	Clubhouse	\$ 67.97
5/1/2001	Le Peep Rstr	\$ 25.99
5/3/2001	The Cheesecake Factory	\$ 93.16
10/31/2001	Chai's Island Bistro	\$ 127.67
1/12/2002	Chart House	\$ 56.82
1/14/2002	Hilton Tropics Bar	\$ 21.45
1/14/2002	Tony Roma's	\$ 29.45
1/15/2002	Wailana Coffee House	\$ 10.42
10/3/2002	Chai's Island Bistro	\$ 104.94
Total for Off-Island Meals and Entertainment		\$ 1,508.63

Other Charges (Former Industry Development Manager)

Date	Description	Amount
11/15/2000	Ben Franklin	\$ 48.51
11/19/2000	Birkenhead Hardware	\$ 29.61
11/19/2000	Spotlight 30	\$ 58.49
11/20/2000	Moreton Hire	\$ 1,397.63
11/20/2000	Moreton Hire	\$ 167.80
11/23/2000	Moreton Hire	\$ 346.76
11/23/2000	Meldome Pty LTD	\$ 395.85
1/15/2001	Longs Drug Store	\$ 64.93
2/13/2001	.Com Customer Service	\$ 1,995.00
2/13/2001	Los Angeles Convention Ct	\$ 330.00
2/21/2001	.Com Customer Service	\$ 1,995.00
2/27/2001	Spring Valley Floral Deco	\$ 184.00
3/6/2001	Hi Tech Rentals	\$ 600.00
3/6/2001	Action Fax@Airports	\$ 5.00
3/7/2001	Ges/Los Angeles	\$ 1,789.50
3/9/2001	Ges/Los Angeles	\$ 342.50
5/1/2001	Mail Boxes Etc	\$ 30.75
5/1/2001	Mail Boxes Etc	\$ 26.25
5/2/2001	Mail Boxes Etc	\$ 15.00
5/3/2001	Mail Boxes Etc	\$ 52.50
10/25/2001	?	\$ 750.00
11/1/2001	Xerox	\$ 15.47
11/8/2001	Golden Marketing	\$ 368.00
11/9/2001	Kmart	\$ 235.29

Other Charges (Former Industry Development Manager)

Date	Description	Amount
1/13/2002	Pac Telecommunications	\$ 750.00
1/22/2002	Attco Inc	\$ 1,212.42
6/6/2002	Golden Marketing	\$ 193.53
6/29/2002	Expressive Signs	\$ 120.00
Total for Miscellaneous Charges		\$ 13,519.79

Recap: Between October 2000 through October 2002, the former Industry Development Manager charged \$27,834 to her GEDCA credit card. See Table 19 for a breakdown of charges and Questionable charges.

Table 19: Breakdown of Former Industry Development Manager's Credit Card Charges

Former Industry Development Managers' Expenses	Total Credit Card Charges
Total for Local Restaurants	\$ 1,582.67
Total for Travel Related Expenses	\$ 11,223.40
Total for Off-Island Meals and Entertainment	\$ 1,508.63
Total for Miscellaneous Charges	\$ 13,519.79
Grand Total	\$ 27,834.49

Appendix 12:**Detailed Credit Card Charges (Public Finance Officer)**

Meals and Entertainment (Public Finance Officer)

Date	Description	Amount
5/2/2001	Bistro Bar	\$ 100.00
11/15/2001	Marty's Restaurant	\$ 11.00
11/16/2001	Marty's Restaurant	\$ 90.00
1/2/2002	Marty's Restaurant	\$ 143.60
1/11/2002	Marty's Restaurant	\$ 150.00
1/18/2002	Marty's Restaurant	\$ 146.85
4/19/2002	Marty's Restaurant	\$ 156.85
4/26/2002	Marty's Restaurant	\$ 473.70
9/27/2002	Marty's Restaurant	\$ 168.30
9/27/2002	Guam Dai-Ichi	\$ 58.28
10/3/2002	Marty's Restaurant	\$ 20.00
10/9/2002	Marty's Restaurant	\$ 110.00
Total for Meals and Entertainment		\$ 1,628.58

Travel Related Expenses (Public Finance Officer)

Date	Description	Amount
10/29/2000	The Biltmore Hotel	\$ 1,547.01
10/29/2000	Hertz Rent A Car	\$ 65.39
10/29/2000	Ala Moana Hotel	\$ 125.30
11/24/2000	Novotel Sydney	\$ 804.10
1/19/2001	Ala Moana Hotel	\$ 778.10
1/21/2001	Dollar Rent A Car	\$ 235.42
3/9/2001	Hyatt	\$ 907.88
11/30/2001	Hilton	\$ 1,288.83
12/3/2001	Park Hyatt	\$ 847.27
2/8/2002	Ontario Airport Hilton	\$ 210.90
10/11/2002	Northwest Airlines	\$ 1,854.77
10/11/2002	Expedia Esr Hotels	\$ 1,050.70
Total for Travel Related Expenses		\$ 9,715.67

Off-Island Restaurants (Public Finance Officer)

Date	Description	Amount
11/23/2000	Star City	\$ 66.81
1/17/2001	Todai Restaurant	\$ 58.49
Total for Off-Island Restaurants		\$ 125.30

Other Charges (Public Finance Officer)

Date	Description	Amount
10/23/2000	Super Shuttle	\$ 52.50
11/14/2000	PC Outlet	\$ 94.99
11/15/2000	Standard Office Supply	\$ 92.66
11/16/2000	Hilo Hattie	\$ 119.96

Other Charges (Public Finance Officer)

Date	Description	Amount
1/15/2001	Pac Telecommunications	\$ 1,250.00
1/15/2001	Pac Telecommunications	\$ 1,250.00
1/15/2001	Pac Telecommunications	\$ 1,250.00
1/16/2001	Bestsellers	\$ 74.62
12/12/2001	Ace Hardware	\$ 16.42
2/15/2002	Tropical Color Center	\$ 52.80
4/3/2002	Tropical Color Center	\$ 48.30
10/11/2002	American Printing Corp	\$ 120.00
10/23/2002	Cost U Less	\$ 72.17
10/23/2002	Sunny Cash & Carry	\$ 51.35
Total for Miscellaneous Charges		\$ 4,545.77

Recap: Between October 2000 through October 2002, the Public Finance Officer charged \$16,015 to her GEDCA credit card. See Table 20 for a breakdown of charges and Questionable charges.

Table 20: Breakdown of Public Finance Officer’s Credit Card Charges

Public Finance Officers’ Expenses	Total Credit Card Charges
Total for Meals and Entertainment	\$ 1,628.58
Total for Travel Related Expenses	\$ 9,715.67
Total for Off-Island Restaurants	\$ 125.30
Total for Miscellaneous Charges	\$ 4,545.77
Grand Total	\$ 16,015.32

Appendix 13:
Detailed Credit Card Charges (Industry Development Manager)

Local Restaurants (Industry Development Manager)

Date	Description	Amount
2/15/2002	Marriott	\$ 324.30
3/26/2002	Lonestar	\$ 8.24
11/15/2002	Marty's Restaurant	\$ 87.65
11/20/2002	Marty's Restaurant	\$ 101.35
11/21/2002	Chuck's Steakhouse	\$ 228.75
11/22/2002	Marty's Restaurant	\$ 56.25
Total for Local Restaurants		\$ 806.54

Travel Related Expenses (Industry Development Manager)

Date	Description	Amount
11/17/2000	Continental	\$ 675.00
3/5/2001	Hyatt	\$ 157.10
5/4/2001	Hyatt	\$ 640.35
5/4/2001	Hyatt	\$ 1,043.07
11/8/2001	Tokyo Hilton	\$ 598.36
6/30/2002	Continental	\$ 140.00
7/8/2002	Tokyo Hilton	\$ 8,520.55
11/7/2002	Tokyo Hilton	\$ 1,304.94
11/7/2002	Tokyo Hilton	\$ 37.78
9/6/2003	Continental	\$ 86.00
9/8/2003	Marriott	\$ 151.22
9/10/2003	Holiday Inns	\$ 458.84
10/24/2003	Toranomonpastral	\$ 158.40
Total for Travel Related Expenses		\$ 13,971.61

Off-Island Meals and Entertainment (Industry Development Manager)

Date	Description	Amount
3/1/2001	Ciao Trattoria	\$ 103.00
3/2/2001	Wilshire Point Morrea	\$ 46.75
3/7/2001	Li Mon Seafood Rest	\$ 102.88
4/5/2001	Kim Chee	\$ 9.12
4/27/2001	The Tap Room	\$ 41.40
7/2/2002	Dennys Japan	\$ 51.86
7/3/2002	Restaurant Otowatei	\$ 148.92
9/9/2003	Papa Razzi	\$ 26.61
Total for Off-Island Meals and Entertainment		\$ 530.54

Other Charges (Industry Development Manager)

Date	Description	Amount
10/31/2000	TTI Worldwide	\$ 107.65
11/13/2000	TTI Worldwide	\$ 110.05
11/15/2000	Standard Office Supply	\$ 45.60
12/19/2000	Acius	\$ 224.00

Other Charges (Industry Development Manager)

Date	Description	Amount
1/18/2001	MWI Microwarehouse	\$ 95.64
1/25/2001	DR *Symantec	\$ 167.90
1/29/2001	Cost U Less	\$ 43.87
2/15/2001	Marianas Electronics	\$ 179.00
2/27/2001	Rims	\$ 1,045.00
2/27/2001	Rims	\$ 1,045.00
2/27/2001	Rims	\$ 1,045.00
2/28/2001	American Printing Corp	\$ 100.00
2/28/2001	Rims	\$ 1,145.00
2/28/2001	Rims	\$ 1,145.00
3/1/2001	Golf Exchange, Inc.	\$ 81.00
3/3/2001	Best Buy Co	\$ 12.93
3/3/2001	Best Buy Co	\$ 208.36
3/3/2001	Ralphs	\$ 6.45
3/4/2001	Joe's Place	\$ 6.46
3/7/2001	DMP Display Advertising	\$ 8,390.00
3/13/2001	Xpresslead	\$ 313.93
3/19/2001	Mushkin Enhanced Memory	\$ 163.00
3/19/2001	Mushkin Enhanced Memory	\$ 16.00
3/31/2001	MWI Microwarehouse	\$ 226.42
3/31/2001	MWI Microwarehouse	\$ 269.90
3/31/2001	MWI Microwarehouse	\$ 139.90
4/5/2001	PC Connection	\$ 129.95
4/24/2001	PC Connection	\$ 430.00
5/3/2001	Mail Boxes Etc	\$ 243.44
5/16/2001	Telegeography	\$ 405.00
6/3/2001	Digital River Inn	\$ 89.00
6/27/2001	Megabyte	\$ 73.90
8/8/2001	Solcom	\$ 977.64
8/20/2001	Digital River Inn	\$ 119.00
8/25/2001	PC Outlet	\$ 70.00
10/17/2001	PC Outlet	\$ 19.99
10/19/2001	*	\$ 139.90
10/23/2001	Hot Chili Media And Design	\$ 50.49
11/13/2001	DFS-Marriot	\$ 6.00
11/14/2001	Standard Office Supply	\$ 40.88
11/15/2001	Standard Office Supply	\$ 167.82
11/17/2001	Express Signs & Graphics	\$ 288.40
12/4/2001	Internet Svc	\$ 319.00
1/2/2002	Golden Marketing	\$ 220.68
2/14/2002	Solcom	\$ 75.00
2/15/2002	A M Best Co	\$ 241.95
2/15/2002	Express Signs & Graphics	\$ 52.00
2/19/2002	MWI Microwarehouse	\$ 272.84
3/2/2002	Tove's Flowershop	\$ 80.50
3/6/2002	Skillpath/Compumaste	\$ 400.00
4/15/2002	Risk & Insurance Research	\$ 121.54
5/11/2002	Express Signs & Graphics	\$ 95.00

Other Charges (Industry Development Manager)

Date	Description	Amount
6/4/2002	MWI Microwarehouse	\$ 372.89
6/10/2002	PC Connection	\$ 270.93
6/11/2002	Golden Marketing	\$ 32.04
6/26/2002	Golden Marketing	\$ 269.00
6/26/2002	PC Outlet	\$ 79.80
6/28/2002	PC Outlet	\$ 22.00
6/29/2002	Copy Express	\$ 760.00
7/1/2002	Good Times Shinjuku	\$ 58.23
7/2/2002	Yodobashi Camera Co Ltd	\$ 88.20
7/5/2002	Royal Host Shinjukuten	\$ 28.24
7/5/2002	Inakaya Roppongi Higashi	\$ 744.37
7/6/2002	Seibu Dept Store	\$ 37.21
7/7/2002	Sofmap Shinjuku	\$ 99.06
7/8/2002	Royal Host Shinjukuten	\$ 18.12
7/27/2002	Kmart	\$ 37.47
7/30/2002	Standard Office Supply	\$ 20.94
8/1/2002	PC Connection	\$ 123.04
8/4/2002	www.esellerate-sales	\$ 29.95
8/11/2002	USPS	\$ 17.00
9/3/2002	National Office Supply	\$ 21.58
9/4/2002	Sgo Designer Glass	\$ 192.50
9/4/2002	Standard Office Supply	\$ 16.80
10/1/2002	American Printing Corp	\$ 25.00
10/2/2002	National Office Supply	\$ 14.40
11/18/2002	Hot Chili Media And Design	\$ 100.71
11/20/2002	Sgo Designer Glass	\$ 130.00
11/22/2002	Ben Franklin	\$ 27.99
11/25/2002	Verio	\$ 326.87
9/7/2003	Staples	\$ 198.73
9/7/2003	Kinko's	\$ 32.15
9/9/2003	Staples	\$ 84.58
Total for Miscellaneous Charges		\$ 25,742.78

Recap: Between October 2000 through October 2003, the Industry Development Manager charged \$41,051 to his GEDCA credit card. See Table 21 for a breakdown of charges and Questionable charges.

Table 21: Breakdown of Industry Development Manager's Credit Card Charges

Industry Development Managers' Expenses	Total Credit Card Charges
Total for Meals and Entertainment	\$ 806.54
Total for Travel Related Expenses	\$ 13,971.61
Total for Off-Island Meals and Entertainment	\$ 530.54
Total for Miscellaneous Charges	\$ 25,742.78
Grand Total	\$ 41,051.47

**Appendix 14:
Non-GEDCA Employees Travel Authorizations**

Department/Agency	TA Number	Date Travel Commenced	# Of Days	Destination & Purpose of Trip	Amount
Attorney General's Office					
Assistant Attorney General	T1620024	1-Jan-01	5	Meeting with Treasury Officials regarding Trust in Washington D.C.	\$ 3,513.16
Assistant Attorney General	T1620023	1-Jan-01	5	Meeting with Treasury Officials regarding Trust in Washington D.C.	\$ 3,731.91
Assistant Attorney General	T1620007	23-Oct-00	6	Attend Trust Conference "Off Shore Trust Summit 2000" in Miami, FL	\$ 5,360.16
Acting Deputy Attorney General	T1620006	23-Oct-00	6	Attend Trust Conference "Off Shore Trust Summit 2000" in Miami, FL	\$ 5,547.66
Attorney General	T2620017	5-Dec-01	5	Attend the closing of the Government of Guam Limited Obligation Bonds, Series A 2001 in San Francisco, CA	\$ 4,267.81
Legal Counsel AG	T4620019	25-Sep-04	5	Attend the National Association of Attorney Generals Triennial Conference in Vermont	\$ 887.49
Total for Attorney General's Office					\$23,308.19

Governor's Office

Governor's Security	T1620077	3-Sep-01	10	Provide security for the Governor of Guam during his attendance and participation in the Trade Mission in China	\$ 1,179.36
Staff Assistant	T1620073	26-Jul-01	2	Provide testimony to US Senate on Foreign Sales Corporation Tax in Washington D.C.	\$ 5,286.46
Special Assistant	T1620072	26-Jul-01	2	Provide testimony to US Senate on Foreign Sales Corporation Tax in Washington D.C.	\$ 5,311.46
Executive Assistant	T1620062	6-Jun-01	4	Taipei, Taiwan Trade Mission	\$ 1,378.34
Governor of Guam	T1620060	6-Jun-01	4	Taipei, Taiwan Trade Mission	\$ 780.00
Governor's Security	T1620039	8-Mar-01	5	Provide security for the Governor in Cairns, Australia	\$ 2,046.08
Governor of Guam	T1620037	8-Mar-01	5	Meet with the Mayor of Cairns and Sky Rail in Cairns, Australia	\$ 975.00
Governor of Guam	T2620046	3-Jul-02	5	Travel to coordinate and conduct the 1 st Japan Captive Insurance Forum in Tokyo, JP	\$ 2,698.58
Governor of Guam	T2620018	2-Jan-02	5	Attend AECOM in Los Angeles, CA	\$ 975.00
Governor of Guam	T4620011	27-May-04	2	Attend the Captive Forum organized by Pacific Risk Managers, Inc in Manila, PI	\$ 898.36
Total for Governor's Office					\$21,528.64

Bureau of Planning

Director	T1620071	26-Jul-01	9	Provide testimony to US Senate on Foreign Sales Corporation Tax in Washington D.C. and participate in a Pension Bond presentation in San Francisco, CA	\$ 8,458.21
Director	T1620038	8-Mar-01	5	Meet with the Mayor of Cairns and Sky Rail in Cairns, Australia	\$ 2,233.58
Total for Bureau of Planning					\$10,691.79

Department/Agency	TA Number	Date Travel Commenced	# Of Days	Destination & Purpose of Trip	Amount
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Department of Revenue and Taxation

Acting Deputy Tax Commissioner	T1620008	23-Oct-00	6	Attend Trust Conference "Off Shore Trust Summit 2000" in Miami, FL	\$ 2,748.66
Insurance Specialist	T2620045	3-Jul-02	3	Travel to coordinate and conduct the 1st Japan Captive Insurance Forum in Tokyo, JP	\$ 1,100.22
Tax Specialist	T2620044	3-Jul-02	3	Travel to coordinate and conduct the 1st Japan Captive Insurance Forum in Tokyo, JP	\$ 1,100.22
Tax Specialist	T2620006	5-Nov-01	4	Attend Tokyo Forum 2001 in Tokyo, JP	\$ 1,032.00
Insurance Specialist	T2620005	5-Nov-01	4	Attend Tokyo Forum 2001 in Tokyo, JP	\$ 1,032.00
Total for Department of Revenue and Taxation					\$ 7,013.10

Department of Administration

Director	T2620013	27-Nov-01	5	Attend meetings and Bond closing in New York and San Francisco	\$ 5,360.81
Total for Department of Administration					\$ 5,360.81

Guam Police Department

Police Officer III	T1620063	6-Jun-01	4	Security for Governor in Taipei, Taiwan	\$ 1,378.34
Police Officer II	T2620047	3-Jul-02	5	Travel to coordinate and conduct the 1st Japan Captive Insurance Forum in Tokyo, JP	\$ 2,134.85
Total for Guam Police Department					\$ 3,513.19

Appendix 15:
Non-GEDCA Employee Travel

Fiscal Year	Title of Traveler	Type of Travel	Transportation	Per Diem	Conference Registration Fee	Amount
2001	Governor's Security	Business	\$ 1,179.36	\$ -	\$ -	\$ 1,179.36
2001	Staff Assistant	Business	\$ 4,936.46	\$ 350.00	\$ -	\$ 5,286.46
2001	Special Assistant	Business	\$ 4,936.46	\$ 375.00	\$ -	\$ 5,311.46
2001	Director, Bureau of Planning	Business	\$ 6,489.46	\$ 1,968.75	\$ -	\$ 8,458.21
2001	Police Officer III	Economy	\$ 778.34	\$ 600.00	\$ -	\$ 1,378.34
2001	Executive Assistant	Economy	\$ 778.34	\$ 600.00	\$ -	\$ 1,378.34
2001	Governor of Guam	No Airfare	\$ -	\$ 780.00	\$ -	\$ 780.00
2001	Governor's Security	Economy	\$ 1,296.08	\$ 750.00	\$ -	\$ 2,046.08
2001	Director, Bureau of Planning	Economy	\$ 1,296.08	\$ 937.50	\$ -	\$ 2,233.58
2001	Governor of Guam	Business	\$ -	\$ 975.00	\$ -	\$ 975.00
2001	Assistant Attorney General	Economy	\$ 2,638.16	\$ 875.00	\$ -	\$ 3,513.16
2001	Assistant Attorney General	Economy	\$ 2,638.16	\$ 1,093.75	\$ -	\$ 3,731.91
2001	Acting Deputy Tax Commissioner	Economy	\$ 1,811.16	\$ 937.50	\$ -	\$ 2,748.66
2001	Assistant Attorney General	Economy	\$ 1,811.16	\$ 750.00	\$ 2,799.00	\$ 5,360.16
2001	Acting Deputy Attorney General	Economy	\$ 1,811.16	\$ 937.50	\$ 2,799.00	\$ 5,547.66
2002	Police Officer II, GPD	Business	\$ 1,259.85	\$ 875.00	\$ -	\$ 2,134.85
2002	Governor of Guam	Economy	\$ 1,561.08	\$ 1,137.50	\$ -	\$ 2,698.58
2002	Insurance Specialist, DRT	Economy	\$ 575.22	\$ 525.00	\$ -	\$ 1,100.22
2002	Tax Specialist, DRT	Economy	\$ 575.22	\$ 525.00	\$ -	\$ 1,100.22
2002	Governor of Guam	No Airfare	\$ -	\$ 975.00	\$ -	\$ 975.00
2002	Attorney General	Business	\$ 3,174.06	\$ 1,093.75	\$ -	\$ 4,267.81
2002	Director, DOA	Business	\$ 4,267.06	\$ 1,093.75	\$ -	\$ 5,360.81
2002	Tax Specialist, DRT	Economy	\$ 332.00	\$ 700.00	\$ -	\$ 1,032.00
2002	Insurance Specialist, DRT	Economy	\$ 332.00	\$ 700.00	\$ -	\$ 1,032.00
2004	Legal Counsel AG	Economy	\$ 137.49	\$ 750.00	\$ -	\$ 887.49
2004	Governor of Guam	Economy	\$ 598.36	\$ 300.00	\$ -	\$ 898.36
Grand Total			<u>\$ 45,212.72</u>	<u>\$20,605.00</u>	<u>\$ 5,598.00</u>	<u>\$71,415.72</u>

Appendix 16:
Management Response

Via Facsimile: 472-7951

August 22, 2005

Mrs. Doris Brooks, Public Auditor
Office of the Public Auditor
Suite 401, Pacific News Bldg.
238 Archbishop Flores Street
Hagatna, Guam 96910

Subject: GEDCA Credit Card Audit

Dear Mrs. Brooks:

I have reviewed the final results of your audit, as contained in the draft document dated August 2005, and submit below management's comments:

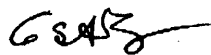
Management concurs that there appeared to be a pattern of credit card misuse, based upon government auditing standards as defined by the Controller General of the United States of America. Please note that the senior managers who were the focus of the audit investigation are no longer employed by, nor associated with, GEDCA.

Management is gratified to note, however, that a former senior manager, and three (3) junior level employees, were able to substantiate their credit card charges, thereby clearing up their questioned charges.

The "double standard" and "climate of abuse" cited in the audit, with respect to the nature of credit card charges, the frequency of these charges, and the lack of timely submission of expense reports by senior management, no longer exist at GEDCA. This situation was initially rectified by the newly appointed board and management in April 2003, when a credit card policy was instituted, and the use of credit cards at GEDCA was subsequently terminated in November 2003.

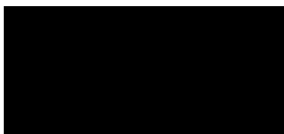
Finally, management is in general agreement with the audit recommendations on travel with respect to "lowest cost" and "vendor rotation". Accordingly, this matter will be referred to the GEDCA board for proper disposition.

Sincerely,



Gerald S.A. Perez
Former Administrator
Guam Economic Development & Commerce Authority

Appendix 17:
Former Chief Financial Officer's Response



June 30, 2005

Mr. Gerry Perez
Administrator
**GUAM ECONOMIC DEVELOPMENT
AND COMMERCE AUTHORITY**

RE: OPA Audit Response

Dear Mr. Perez:

I am in receipt of what appears to be a preliminary draft audit report conducted by the Office of the Public Auditor. You have indicated I have until Thursday, June 30, 2005, to respond, although, I just received a copy on June 28, 2005.

My initial response is I am rather amazed with the inaccurate statements and innuendos in the document I was provided. This appears to be another one of the Public Auditor's shameless political ploys to submit information which could be splashed all over the public media. She is fully aware that when Super Typhoon Pongsona struck Guam on December 7, 2002, our offices were completely devastated. Following that devastation, we contacted Deloitte & Touche, as well as the Office of the Public Auditor, to come and inspect the damages which included the destruction of our offices and all of the records. The Public Auditor personally opined that she was appalled at the destruction, yet there is nothing which would indicate that the lack of documents is caused by a natural disaster.

Prior to Super Typhoon Pongsona, Deloitte & Touche had audited Fiscal Year 2001, as well as having seen all of the supporting documentation which were ready for audit on December 6, 2002, prior to its destruction by the typhoon. The Public Auditor should be directed to [REDACTED] at Deloitte & Touche to confirm these matters.

With regard to the general comments, all the required documents were turned in to GEDCA and were available as of December 6, 2002, including the charges which were personal in nature and reimbursed, pursuant to GEDCA's travel and expense policies. Without access to the GEDCA files and records, individual comments are difficult to be addressed in a such a short period of time.

During the last year to year and one-half of [REDACTED] tenure as the Administrator, he did not have a GEDCA credit card. He lost his credit card and was not re-issued another one. He therefore requested that I pay for travel and expenses for myself and other authorized travelers who did not have GEDCA credit cards, as well as the payment for other expenses directed and authorized as appropriate

Former CFO's Response continued:

Mr. Gerry Perez, Administrator
**GUAM ECONOMIC DEVELOPMENT
AND COMMERCE AUTHORITY**

June 30, 2005

Page Two

expenses. The use of the credit card would account for there being two tickets for the same travel since I had to use my credit card to pay for others, including [REDACTED]

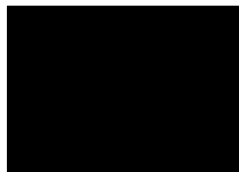
The personnel at GEDCA should be able to reconstruct the travel itineraries to show who traveled on what trips and to what locations to resolve those issues. If I have a little more time, I can determine much of the information. You can also see that there were two tickets charged on my credit card on many days, and the staff should be able to tell who went on those trips. The employees at GEDCA should be able to recreate those matters to show who traveled and the records may well establish for what purposes even though the expense accounts were destroyed in the typhoon.

All local meals and entertainment were for business-related purposes as well as those off-island. As previously indicated, all the accompanying documentation were delivered to GEDCA.

As you can see from the report, after December, 2003, there were no difficulties with the records. There were no problems prior to Fiscal Year 2002, as indicated by Deloitte & Touche, the auditors who had conducted audits prior to that time, as there were no problems in the prior audited years, or after the typhoon which destroyed the records.

Given more time to gather and review my documentation, I should be able to tell you who traveled on what days and for what purposes with regard to airline travel, hotels and rent-a-cars.

Sincerely,

A large black rectangular redaction box covering the signature area.

Appendix 18:
Former Business Development Director's Response

The Law Offices of
PHILLIPS & BORDALLO
A Professional Corporation

410 West O'Brien Drive, Suite 102 Hagåtña, Guam 96910-5044
Tel: (671) 477-ABCD (2223) • Fax: (671) 477-2FAX (2329)



June 27, 2005

Gerald S.A. Perez
Acting Administrator, GEDCA
590 South Marine Corps Drive
Tamuning, Guam 96913

Re: OPA Audit of GEDCA Credit Card Use

After receiving information regarding an on-going audit of use of credit cards by GEDCA personnel, I felt it would be beneficial for all concerned if I provided comments. As you know, I represented [REDACTED] in a civil case involving GEDCA and related issues.

Based upon all information I have seen, all GEDCA procurement policies and procedures were followed with respect to the expenses relating to [REDACTED] as noted in the audit. All of [REDACTED] expense reports for the periods in question, containing specific details of the expenses incurred were timely submitted, thoroughly reviewed by the accounting staff and the staff from the administration and operations department.

After thoroughly reviewing the expense reports for compliance with GEDCA's procurement policies and procedures, the documentation was then reviewed by the Chief Financial Officer. Finally, the expense reports were reviewed and approved by the Administrator, in accordance with GEDCA procurement procedures. All credit card expenses, prior to December 2002 were authorized and approved by the Administrator and ultimately ratified by the GEDCA Board of Directors in late December, 2002. All expenses incurred after December 2002 were reviewed and ultimately approved by the GEDCA Administrator.

As you and the OPA are aware, all expense reports and supporting documentation up until December, 2002, were destroyed during Typhoon Pongsonga as they were laid out in preparation to be audited by Deloitte and Touche. As such, the OPA statement and conclusion, "there were no expense reports submitted detailing the nature of these charges," is inaccurate. I am confident GEDCA staff, management and representatives from Deloitte and Touche can be readily contacted to fully verify this information.

Former BDD's Response continued:

Gerald S.A. Perez
Acting Administrator, GEDCA
590 South Marine Corps Drive
Tamuning, Guam 96913

June 29, 2005
Page 2

Re: OPA Audit of GEDCA Credit Card Use

All travel authorizations and requests for advance per diem were submitted and approved prior to any travel occurring. Records of these travel authorizations and their approval should be readily available for review at GEDCA.

As the attorney representing [REDACTED] in his civil litigation, I have directed that he not respond to any inquiries from your office, OPA, or any other individual or entity. While [REDACTED] remains available and willing to answer all questions and clarify all misleading statements and allegations, I cannot allow him to do so at this time. Likewise, I will forward a copy of this letter to [REDACTED] counsel for GEDCA in the separate litigation to ensure he is kept in the loop.

Thank you again for the opportunity to comment on the OPA draft. Please contact me should you have questions or wish to further discuss this matter.

Si Yu'os Ma'ase',
PHILLIPS & BORDALLO, P.C.


Michael F. Phillips

cc: [REDACTED]

Appendix 19:
Former Finance and Administration Director's Response

June 30, 2005

Mr. Gerry Perez
Acting Administrator
Guam Economic Development & Commerce Authority
Via email: gsap43@yahoo.com

Dear Mr. Perez:

I am in receipt of what I assume to be my portion of a "Preliminary Draft" audit report conducted by the Office of the Public Auditor (OPA). I understand that this report will be released on Friday and have been given till Thursday to respond.

While I am cited in the report as the former Finance and Administration Director, I feel it incumbent upon me to respond as the former GEDA Administrator as this was the position I held during the periods in question. My response is not only intended to address the inaccurate statements in my portion of the "Preliminary Draft" report, but also for all those GEDA employees, past and present, who are listed on this mail. All these individuals are either being named in separate portions, or, were or are still involved in the accounting of the expense and travel reports.

1) The "Preliminary Draft" stated, "These charges were questioned because they were in excess of amounts authorized for travel expenses and there were no expense reports submitted detailing the nature of these charges." **RESPONSE: ALL REPORTS WITH ALL PROPER DOCUMENTATION WERE SUBMITTED ACCORDINGLY, ALONG WITH THE APPROPRIATE AUTHORIZATIONS. ALL INDIVIDUALS COPIED BELOW WILL ATTEST TO THIS.**

2) The "Preliminary Draft" stated, "We questioned the validity of these charges because authority to travel was not "signed and certified by the appropriate authorities" allowing the travel. **RESPONSE: ALL TRAVEL AUTHORIZATIONS WERE APPROVED BY THE APPROPRIATE AUTHORITIES. ALL INDIVIDUALS COPIED BELOW WILL ATTEST TO THIS.**

Mr. Perez, as you are aware, prior to the GEDA offices being destroyed by Typhoon Pongsona, the former Chairman, [REDACTED], asked that 100% of all expense reports be **RE-AUDITED**, dating back to 1999. Thus, **ALL THE REPORTS** were gathered to prepare for the audit. On Friday, December 6, 2002, I, along with [REDACTED], met with [REDACTED] and [REDACTED] from Deloitte & Touche, around 4:30 p.m. This was to ensure that **THE AGENCY HAD ALL THE PROPER DOCUMENTS READY FOR THE AUDIT**. The meeting ended after 5:00 p.m. with [REDACTED] stating that the documents seemed ready for the audit.. After [REDACTED] and [REDACTED] left, [REDACTED] and I secured the documents in my office for the weekend (the accounting division had already secured their offices for the evening

Former FAD's Response continued:

since it was already nearly 6:00 p.m.). No one knew or suspected that a simple storm would have turned into a Super Typhoon. Additionally, being that our offices had survived previous typhoons (Paka and Chataan), we did not suspect that our offices would have been destroyed. If I recall correctly, we sustained damages of nearly \$1 million dollars!

Once the fuel crisis had ended and we had established temporary offices for GEDA and GHC, we called in Deloitte & Touche to inspect the damages. After seeing the destruction, they advised us to call the OPA to have them inspect the offices as well. The OPA did inspect the destroyed offices and was amazed at the destruction. In the words of the OPA, "I am appalled at the destruction."

Mr. Perez, the controls and procedures in obtaining proper authorizations for travel and approvals on expense reports were in place. In order to travel, staff would have to obtain my authorization; I would have to obtain the Chairman's or Board's authorization, while Board members would have to obtain the Governor's approval. No travel occurred without the appropriate authorizations.

Once the employee returned from off-island, an expense report would have to be filed. The report accounted for any type of use of funds: EA - Employee Advance, GA - GEDA Advance, or CC - Credit Card. The report would reconcile the use of funds and if funds were owed to the Agency, the employee was required to repay the Agency. This report underwent tremendous scrutiny before coming to me for final authorization (or to the Chairman in the case of my reports). If it is travel related, it went before [REDACTED] [REDACTED] to reconcile with Travel Authorizations, after which it went to the Accounting Division for additional review. Once the Accounting Division had cleared the expenses, the report was submitted to [REDACTED] (CFO) for his review. Only after it had undergone all three steps did it appear for my authorization. If it was strictly credit card use, it went straight to the Accounting Division for their review, to the CFO and then to me.

In an effort to increase the scrutiny and control over these expenses, the board approved an extension for the submission of travel reports from 10 days to 45 days, so that we would be able to reconcile credit card expenses with travel expenses. If a trip was taken by a card holder and the credit card was used, this change allowed the Agency to be able to check all reports to ensure that there were no duplication of expenses.

In my case, I prepared very few reports. I relied heavily on my Executive Assistant ([REDACTED] [REDACTED] and [REDACTED] to review and reconcile my travel and credit card expenses ensuring higher and stricter scrutiny. I would always provide them with receipts, descriptions, names, etc. Once the reports were prepared, they were turned in to accounting for review and back to the CFO for final review. Approval would be obtained from the Chairman for my reports. Please feel free to contact [REDACTED] [REDACTED] to confirm.

Former FAD's response continued:

Additionally, although not in detail for each employee, we would also present the financial condition of GEDA (budget vs. actual) to the Board on a monthly basis, which included all expenses, including travel and entertainment.

All the above is in accordance with the GEDA policies and procedures. I had given the Accounting and Operations Division's full autonomy and power to enforce the controls and procedures that had been established. I relied heavily on them to ensure that all accounting practices were followed accordingly. And I will note that they took pride in their work.

I cannot overemphasize that everyone including myself will attest that **ALL THE REPORTS WITH THE SUPPORTING DOCUMENTATION WERE SUBMITTED AND ALL APPROVALS WERE OBTAINED ACCORDINGLY. ALL TRAVEL WAS ALSO PROPERLY APPROVED PRIOR TO ANY TRAVEL.**

PLEASE ALSO NOTE THAT THE EXTERNAL AUDITORS FROM DELOITTE & TOUCHE, HAD AUDITED GEDA EVERY YEAR WHILE I WAS AT GEDA, INCLUDING TRAVEL AND EXPENSE REPORTS. THIS IS ADDITIONAL PROOF THAT THESE REPORTS EXISTED IN SUPPORT OF MY RESPONSE TO YOU, PLEASE CONTACT [REDACTED] SINCE I HAVE NO LONGER HAVE THE AUTHORITY TO OBTAIN COPIES OF THESE AUDITS. BY WAY OF THIS LETTER, I AM FORWARDING A COPY OF THIS RESPONSE TO HIM.

Mr. Perez, without the supporting documentation, which again was destroyed as a result of the typhoon, I cannot provide a reply other than **ALL THE REPORTS WITH THE SUPPORTING DOCUMENTATION WERE SUBMITTED. ALL APPROVALS WERE OBTAINED ACCORDINGLY. ALL TRAVEL WAS ALSO PROPERLY APPROVED PRIOR TO ANY TRAVEL. ALL INDIVIDUALS COPIED BELOW WILL ATTEST TO THIS.** [REDACTED] can also attest to the fact that they saw all the reports prior to the typhoon.

However, although it will be a very difficult, if not an impossible task, if you should so desire, I can attempt to rebuild all the reports. This would require full access to the staff and records of GEDA. And due to my present work schedule, this will take at least 6 months to complete. Let me know your decision.

Should you have any questions, please do not hesitate to contact me.

Sincerely,

[REDACTED]