



## **BUREAU OF BUDGET & MANAGEMENT RESEARCH**

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**OCT 22 2015**

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Hagatna, Guam 96910

*Håfa Adai* Public Auditor Flores Brooks,

Pursuant to Public Law 30-127, transmitted as attached are the Bureau's Citizen-Centric Reports (CCRs) for FY 2013 and FY 2014. The reports are provided in electronic format (via pdf email attachment) to your office and will be posted on our website at <http://bbmr.guam.gov/>. Copies of the reports will also be sent to the Speaker in the electronic format as required.

Should you have any questions, please do not hesitate to contact the Bureau at 475-9412.

Sincerely,

**JOSE S. CALVO**

Attachment



# BUREAU OF BUDGET AND MANAGEMENT RESEARCH

SEBISON MANINAN YAN MINANEHAN GASTO

2013 Citizen Centric Report

## Leadership

*I Maga'lahaen Guåhan*  
Governor of Guam  
The Honorable  
Eddie Baza Calvo

*I Segundu na Maga'lahaen Guåhan*  
Lt. Governor of Guam  
The Honorable  
Ray Tenorio

*Director*  
John A. Rios  
*Deputy Director*  
Stephen J. Guerrero

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## Vision Statement

The Bureau of Budget and Management Research (BBMR) aspires to be a valuable resource by providing expertise and leadership in fiscal matters to all its stakeholders.

## Mission Statement

To provide guidelines on organizational methods, policy execution, financial management and technical assistance to the various agencies and departments. To improve the planning, programming, and budgeting abilities of the government, through proper research and recommendations on all aspects of its operations. To ensure that all internal accounting and control systems are operated in accordance with policies, procedures, and laws. To provide advisory guidance to the Governor on policy development, program coordination, and planning and budgeting matters.

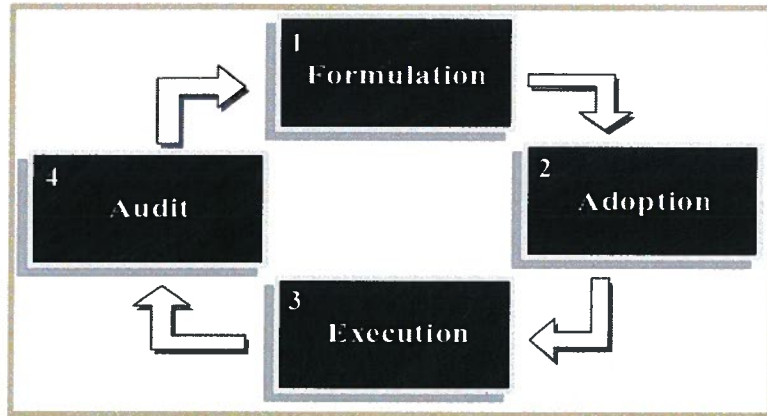


## Strategic Goals / Objectives

- Provide guidance and direction to all government agencies on programmatic and budgetary matters.
- Provide the Governor and Legislature with information and support to effectuate and facilitate policy deliberations and decisions.
- Implement the Governor's programmatic and fiscal policies.
- Review and implement legislative mandates affecting budgetary and fiscal policies
- Conduct ongoing review and evaluation of financial and operational controls of the Government.
- Implement Performance-Based Budgeting (PBB).



### Budget Process



### Four Essential Phases of the Budget Process

**1** During the **formulation phase** the economic forecast and the program and financial plans are prepared for various GovGuam departments. Historical and latest economic data and statistics are utilized in developing projected revenue collections for the upcoming fiscal year. Upon completion of this phase emerges the *Governor's Executive Budget*.

**2** The **adoption phase** is the process in which the legislature considers the Governor's Executive Budget proposal and after due consideration, passes overall Government of Guam revenue and spending plan under a General Appropriations Bill.

**3** The **execution phase** involves the release and expenditure of funds appropriated per the General Appropriations Act. This phase includes the monitoring and assisting agencies in carrying out the approved budget while keeping in line with the established policies of the Governor.

**4** The **audit phase** involves the evaluation of departments/agencies meeting their mission, goals, and objectives and to identify areas in need of improving compliance procedures with applicable laws and regulations.



**What We Do**

**Annual Executive Budget**

**Annual Executive Budget** - With the support of the Governor’s Fiscal Policy Team, BBMR provides direct assistance to the Governor for all budgetary and fiscal related matters to include the preparation of the Executive Budget Request.

- By the end of November, BBMR disseminates the Executive Budget Call for Executive Branch department/line agencies to prepare and submit annual funding requirements due no later than December 31.
- As mandated, BBMR formulates and prepares the Governor’s Executive Budget Request for transmittal to the Legislature no later than January 31 (in the event of a change in Administration, April 8 pursuant to Title 5 GCA Chapter 4).
- By the end of February, BBMR assures all departmental budgets are prepared in detail for transmittal to the Legislature in accordance with the Governor’s Executive Budget Request established ceiling levels.
- By August 31, the Legislature is mandated to pass the Fiscal Year General Appropriations Bill for transmittal to the Governor.
- Pursuant to the Organic Act of Guam, the Governor has 10 days to act on the Budget Appropriation Bill for implementation at the beginning of the fiscal year, October 1.

**Fiscal and Administrative Review**

In order to ensure the financial integrity of the Governor’s operational budget plan, BBMR is tasked to review and recommend action pursuant to the Governor’s Executive Order No. 2012-01 relative to the following departmental documents:

- Contracts / Work Requests / MOUs / MOAs
- Request for Personnel Actions
- Travel Requests and Authorizations / Travel Reimbursement Requests
- Establishment of Accounts / Budget Allotment Schedules / Modification of Accounts
- Fiscal Notes / Legislative Review Committee comments
- Guam State Clearinghouse (Federal Grant Application Review)
- Special Projects (i.e., ARRA, DOI CIPs, etc.)
- Indirect Cost Negotiations

**Expenditure Data (BBMR)**

Fund Source	FY 2013
General Fund	\$1,026,595
Federal Match	\$0
Special Fund	\$284,844
<b>Total</b>	<b>\$1,311,439</b>

**Documents Processed**

Document Description	FY 2013
Guam State Clearinghouse	169
Contracts / Work Requests / MOA / MOU	622
Allotment Schedules / Modifications / EOAs	2,815
GGI Request for Personnel Actions	3,169
Travel Authorization Requests	1,053
Other Documents (i.e., Fiscal Notes, LRC, Staffing Patterns, OT Plans, etc.)	2,485
<b>TOTAL</b>	<b>10,313</b>

Future outlook

**Performance-Based Budgeting (PBB)**

Upon the adoption of Performance-Based Budgeting (PBB), BBMR will relate government expenditures to measurable results and foster strategic planning and accountability. As mandated, the Bureau continues to support and promote PBB and serves as the lead agency in its implementation. Although several initiatives were instituted in past years, the Government of Guam has faced many obstacles in the successful execution of this approach to budgeting of government resources. In light of that, the Bureau will continue to work towards the successful implementation of PBB in improving essential government services.

**CONGRATULATIONS TO OUR RETIREES!**



Joseph A.C. Certeza  
January 25, 2013  
25 Years of Outstanding Service

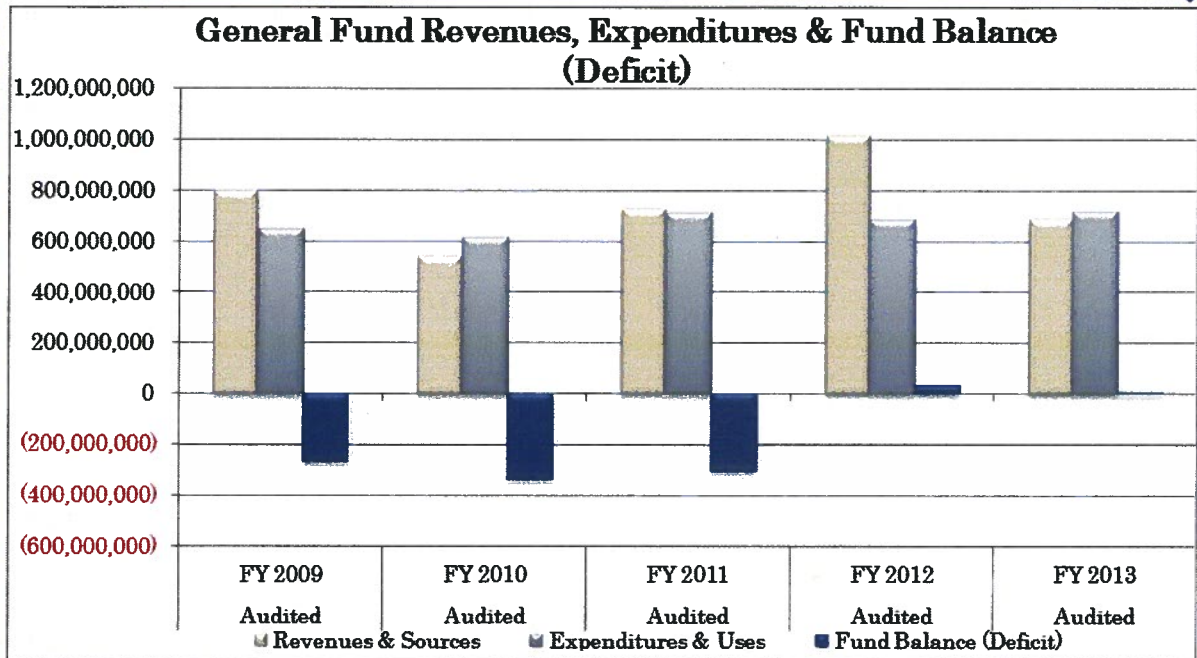


Stephen J. Guerrero  
December 31, 2012  
32 Years of Outstanding Service



Evelyn G. Fernandez  
March 29, 2013  
30 Years of Outstanding Service

### GovGuam Revenues, Expenditures, and Fund Balance



### Government of Guam Revenues, Expenditures and Fund Balance (Deficit) Fiscal Years 2009 - 2013

	FY 2009	FY 2010	FY 2011 <sup>1</sup>	FY 2012	FY 2013
<b>Revenues</b>	483,150,183	490,967,364	552,355,660	596,160,711	610,635,410
<b>Transfers in</b>	42,100,429	50,421,868	108,839,247	63,358,576	32,926,414
<b>Other sources</b>	0	0	65,735,000	14,516,986	45,535,849
<b>Addition to long-term debt</b>	271,070,000	0	0	343,700,000	0
<b>Expenditures</b>	524,510,895	499,897,836	677,669,429	652,750,435	649,615,631
<b>Transfers out</b>	112,049,662	112,558,888	31,075,716	31,717,127	42,202,800
<b>Other uses</b>	9,622,491	0	0	0	25,088,795
<b>Special items</b>	0	0	0	0	0
<b>Overprovisioning for tax refunds</b>	0	0	0	0	0
<b>Current year surplus (deficit)</b>	150,137,564	(71,067,492)	18,184,762	333,268,711	(27,809,553)
<b>Beginning fund balance (deficit)</b>	(415,514,935)	(265,377,371)	(321,317,023)	(303,132,261)	30,136,450
<b>Ending Fund balance (deficit)</b>	(265,377,371)	(336,444,863)	(303,132,261)	30,136,450	2,326,897

**Footnotes:**

<sup>1</sup>FY2011 Beginning fund deficit was adjusted to reflect GovGuam's implementation of GASB Stmt No. 54, Fund Balance Reporting and Governmental Fund Type Definitions

### Governor's Symposium

In 2013, through funding made available by the Agency for Human Resources Development (AHRD), the Bureau of Budget and Management Research (BBMR), along with the Guam State Clearinghouse conducted a two-day *Governor's Symposium on the Workforce Development* that focused on BBMR's role on budgeting and processing review. Attendees included Department / Agency heads as well as key administrative and fiscal staff (Administrative Services Officers, Chiefs of Administration, etc.). Topics included, but weren't limited to, BBMR's role as a member of the Guam State Clearinghouse, Indirect Cost, and OMB Circulars A-87 & A-102. Additionally, guidance was provided on the preparation and routing of key Government of Guam forms including: Requests for Establishment / Modification of Accounts (EOAs), Appropriation / Allotment Modifications (MODs), Requests for Personnel Actions (GG-1s), Travel Requests & Authorizations (TAs), and Memoranda of Understanding (MOUs).

