

**Department of Administration
Review of Dormant and Inactive Funds
As Mandated by Public Law 28-68**

**Performance Audit
October 1, 2001 through September 30, 2005**

**OPA Report No. 06-03
April 2006**



OFFICE OF THE PUBLIC AUDITOR

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EXECUTIVE SUMMARY

Dormant and Inactive Funds of the Government of Guam
Report No. 06-03, April 2006

The Office of the Public Auditor (OPA) initiated a performance audit into the dormant and inactive funds maintained by Department of Administration (DOA). Public Law 28-68 mandated OPA and the Compiler of Laws (Compiler) to conduct a “review [of] all existing Government of Guam dormant or inactive accounts.” As of September 30, 2005 DOA maintained 177 different funds¹, most of which were classified as special revenue funds. Special revenue funds are established by law or by the Governor’s executive order and are used to account for the proceeds of specific revenue sources. Expenditures from special funds are usually restricted to specific purposes.

The objective of our audit was to determine whether dormant or inactive accounts are still necessary or require consolidation as a result of evolving mandates, priority changes, outsourcing, privatization, down-scaling, service or program cessation, or expansions within the Government of Guam.

Our audit identified 70 funds that are recommended for legislative repeal due to (1) dormancy and inactivity, (2) recommendations from prior audits, or (3) minimal fund activity. We also identified 14 funds that can be consolidated into three funds and two other funds that should be structurally amended. Our audit also identified 30 funds that are recommended for closure in DOA’s Financial Management System (AS400) due to (1) previous repeal by legislation, (2) previous consolidation by legislation, or (3) funds that have outlived their purpose and are no longer required.

Many of the special revenue funds we identified were created by a one-time appropriation from the General Fund and do not have a recurring specific source of revenue to classify the fund as a special revenue fund. Given the General Fund deficit of \$314 million as of September 30, 2004, the appropriated transfers from the General Fund to these funds were not likely made due to the lack of cash within the General Fund. The elimination of these special revenue funds does not necessarily mean that the policy directive behind the creation of the fund was flawed. The policies can still be accomplished through an account within the General Fund provided there is a viable funding source.

If these special revenue funds are repealed via legislation or closed by DOA, a total of \$9,835,025 in fund balances as of September 30, 2005 can revert to the General Fund, decreasing the General Fund deficit. However, repealing or closing these funds will only

¹ DOA’s AS400 System identified one general fund, one general long-term debt, one general fixed assets, 160 special revenues funds, six capital projects funds, and eight debt service funds as of September 30, 2005.

eliminate the receivable from or payable to the General Fund because many of these funds do not have cash balances.

The following is a summary of funds to be repealed, consolidated, or amended by the Legislature and funds to be closed by the Department of Administration:

Funds Recommended for Repeal via Legislation

- 36 dormant and inactive funds with \$3,388,410 in fund balances;
- 25 funds recommended for repeal in prior audits with \$625,050 in fund balances;
- Nine funds with minimal activities with \$2,148,067 in fund balances; and
- Revenues of approximately \$347,000 would be recorded in the General Fund.

Funds Recommended for Consolidation via Legislation

- Six funds maintained by the Chamorro Land Trust Commission that can be consolidated into one fund;
- Six funds maintained by the Guam Environmental Protection Agency that can be consolidated into one fund; and
- Two funds from the Medically Indigent Program that can be consolidated into one fund.

Funds Recommended for Structural Amendment via Legislation

- Two funds that should be structurally amended because they require a sunset provision or to delete DOA as a pass-through entity.


Funds Required for Closure by DOA

- 12 funds that were repealed by legislation with \$1,630,848 in fund balances;
- Six funds that were repealed and transferred to another fund;
- Eight funds that are required to be consolidated;
- Seven funds no longer required because they outlived their purpose with \$2,042,650 in fund balances; and
- Revenues of approximately \$646,000 would be recorded in the General Fund.


As mandated by law, the Compiler proposed draft legislation for the repeal of these funds.

The Director of Administration concurred with our recommendations to close these special revenue funds.

OFFICE OF THE PUBLIC AUDITOR


Doris Flores Brooks, CPA, CGFM
Public Auditor

COMPILER OF LAWS


Andrew Sergio Quenga
Compiler of Laws



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Introduction

This report represents the results of our performance audit of the Department of Administration's (DOA) dormant and inactive funds for fiscal years (FY) 2002 through 2005. The review was conducted based on the mandate of Public Law (P.L.) 28-68 to conduct a "review [of] all existing Government of Guam dormant or inactive accounts."

The objective of our audit was to determine whether dormant or inactive accounts are still necessary or require consolidation as a result of evolving mandates, priority changes, outsourcing, privatization, down-scaling, service or program cessation, or expansions within the Government of Guam.¹

The scope and methodology are detailed in Appendix 2. Prior audits, including prior OPA audits of special revenue funds, are detailed in Appendix 5.

Background

In September 2005, P.L. 28-68 required the Office of the Public Auditor (OPA) and the Compiler of Laws (Compiler) to review all dormant or inactive Government of Guam accounts. The Public Auditor, the lead person and point of contact for the review, and the Compiler shall prepare a report 90 days after their initial meeting. See Appendix 3 for an excerpt from P.L. 28-68. Due to the magnitude of the review, a 90-day extension of time was requested.

The Government of Guam reports various types of funds, including governmental, proprietary, and fiduciary, in its annual financial audit.² For the purposes of this audit, our scope focused on special revenue funds within the governmental funds category. Special revenue funds account for specific revenue sources to support specific governmental activities. See Appendix 4 for explanations of the different governmental funds.

As of September 30, 2005, we identified 177 funds that were either maintained by DOA's financial management system (AS400 System) or presented in the annual financial audit of the Government of Guam.

Many of the special revenue funds do not go through legislative scrutiny because the focus of the Legislature is mainly on the General Fund. Consequently, oversight of certain programs financed outside the General Fund appropriations process is limited. The use of numerous special revenue funds distorts the overall financial picture of the General Fund. Many special revenue funds do not have a steady source of income, as they are created through an appropriation from the General Fund.

¹ Excerpt from P.L. 28-68.

² Pursuant to 1 G.C.A. § 1908, all funds are subject to an annual audit.



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Results of Audit

We found that DOA accounted for 177 funds as of September 30, 2005.³ Based on our review of these funds, we identified 70 funds that we recommend for repeal due to (1) dormancy and inactivity, (2) recommendations from prior audits, or (3) minimal fund activity. We also identified 14 funds that can be consolidated into three funds and two other funds that should be structurally amended.

As part of our review, we judgmentally established a threshold of \$500,000 established by the Office of Management and Budget (OMB) Circular A-133⁴ to determine the activities of these funds. See Appendix 6 for an excerpt from OMB Circular A-133. The following is a summary of funds recommended for legislative repeal, consolidation, and amendment and funds recommended for closure by DOA:

Funds Recommended for Repeal via Legislation				
Fund Category	Number of Funds	Revenues	Fund Balances	Reference
Dormant and Inactive Funds	36	\$ 41,008	\$3,388,410	Appendix 7 and 8
Prior Audited Funds	25	\$ 114,248	\$625,050	Appendix 9 and 10
Funds with Minimal Activity	9	\$ 190,970	\$2,148,067	Appendix 11 and 12
Subtotals	70	\$ 346,226	\$6,161,527	

Funds Recommended for Consolidation via Legislation				
Fund Category	Number of Funds	Revenues	Fund Balances	Reference
Chamorro Land Trust Commission	6	\$ 738,708	\$ 287,326*	Appendix 13 and 14
Guam Environmental Protection Agency	6	\$ 652,430	\$1,112,707*	Appendix 13 and 14
Medically Indigent Program Payment Fund	2	\$ -	\$(436,049)*	Appendix 13 and 14
Subtotals	14	\$ 1,391,138	\$ 963,984*	

Funds Recommended for Structural Amendment via Legislation				
Fund Category	Number of Funds	Revenues	Fund Balances	Reference
University of Guam Capital Improvements, and Typhoon Chataan and Halong Fund	2	\$ -	\$ (650,184)*	Appendix 15

*Fund Balances Not to Revert to the General Fund

³ DOA's AS400 System identified one general fund, one general long-term debt, one general fixed assets, 160 special revenues funds, six capital projects funds, and eight debt service funds as of September 30, 2005.

⁴ OMB Circular A-133 was issued pursuant to the Single Audit Act of 1984, P.L. 98-502, and the Single Audit Act Amendments of 1996, P.L. 104-156. It sets forth standards for obtaining consistency and uniformity among federal agencies for the audit of states, local governments, and non-profit organizations expending federal awards. Subpart B of A-133 sets a threshold amount of \$500,000 (effective December 31, 2003) for federal monies that are expended during a year to be audited.

Funds Required for Closure by DOA				
Fund Category	Number of Funds	Revenues	Fund Balances	Reference
Repealed Funds	12	\$ 646,039	\$ 1,630,848	Appendix 16
Repealed Funds Transferred to Another Fund	6	\$ 1,642,826*	\$ 4,052,650*	Appendix 18
Funds to Be Consolidated	8	\$ 1,082,370*	\$ 2,151,746*	Appendix 19
Funds No Longer Required	7	\$ -	\$ 2,042,650	Appendix 20
Subtotals	33	\$ 646,039	\$ 3,673,498	

Funds Recommended to Remain Open			
Fund Category	Number of Funds	Fund Balances	Reference
Funds that Met the \$500,000 Threshold	41	\$ (220,631,187)*	Appendix 21 and 22
Funds Necessary for Government Function	17	\$ 32,458,912*	Appendix 23 and 24
Subtotals	58	\$ (188,172,275)*	

Total Funds	Total Fund Balances to Revert to the General Fund
177	\$9,835,025

*Fund Balances Not to Revert to the General Fund

Of the 177 funds under DOA, we recommend that the 58 funds identified as necessary for government function or meeting our \$500,000 threshold, remain open.

If these special revenue funds are repealed via legislation or closed by DOA, a total of \$9,835,025 in fund balances and revenues of \$992,265 (\$346,226 from funds recommended for repeal via legislation and \$646,039 from funds required for closure by DOA) can be reverted to the General Fund decreasing its deficit. However, repealing or closing these funds will only eliminate the receivable from or payable to the General Fund because many of these funds do not have cash balances.

The intent of these special revenue funds was not necessarily flawed. However, many of the funds did not have continuous sources of revenue necessary for a special revenue fund. Instead, the funds were created by appropriations from the General Fund although cash was not immediately available. Given the General Fund deficit of (\$313,593,155) as of September 30, 2004, the appropriated transfers to many of these funds did not occur due to the lack of available cash within the General Fund.

Review of Funds

Funds Recommended for Repeal via Legislation

Based on our review, we identified 70 special revenue funds within DOA's AS400 System that we recommend be repealed because they (1) were dormant or inactive, (2) were recommended for repeal in prior audits, or (3) had minimal transactions during our scope period of FY 2002 through 2005. By repealing these funds, an aggregate fund balance of \$6,161,527 will revert to the General Fund to reduce its deficit and revenues of \$346,000 will be recognized in the General Fund. The elimination of these special revenue funds will also improve the efficiency of the accounting at DOA. In conjunction with our review, the Compiler of Laws has prepared proposed legislation to repeal these funds. See Appendix 25 for a separate disc with the enabling legislation of all funds accounted for by DOA.

Dormant and Inactive Funds

Our review of DOA's government funds identified 36 funds in the AS400 system that had little to no activity between FY 2002 through 2005. In fact, only seven of these funds had revenues in FY 2005, totaling \$41,008, ranging from a low of \$85 to a high of \$17,200. There were no expenditures for these funds in FY 2005. See Appendix 7 for a listing of dormant and inactive funds' enabling legislation and FY 2005 financial activity.

By repealing these dormant and inactive funds, an aggregate amount of \$3,388,410 will revert to the General Fund to reduce its deficit. Of this amount, \$2,300,000 is from the Education Facilities Fund and \$600,000 from the GFD Lease-to-Purchase Program. Cash has yet to be identified and provided for these programs. Because of the General Fund deficit of \$313,593,155 as of September 30, 2004, it is doubtful that cash will be identified and provided to fund these projects.

In prior years, the annual revenues of these dormant and inactive funds were consistent with FY 2005. There were no expenditures for these funds in FY 2002 through 2004. See Table 1 for the accumulated totals of FY 2002 through 2004 revenues and expenditures for these 36 dormant and inactive funds and Appendix 8 for the detailed financial activities.

Table 1: Prior Year Revenues and Expenditures (36 funds)

2004		2003		2002	
Revenues	Expenditures	Revenues	Expenditures	Revenues	Expenditures
\$ 45,924	\$ -	\$ 808,756 ⁵	\$ -	\$ 74,508	\$ -

We recommend the Legislature repeal these 36 funds and transfer the remaining fund balances of \$3,388,410 to the General Fund.

⁵ \$600,000 of this amount was a one-time appropriation to the GFD Lease-to-Purchase Program, yet cash has yet to be identified and provided for this program. This reflects a receivable from the General Fund.

Funds Recommended for Repeal in Prior Audits

OPA conducted two audits of special revenue funds, the Department of Administration Special Revenue Funds Part I, released in March 2004 and the Dededo Buffer Strip Revolving Fund, released in December 2004. In these reports, 31 funds were recommended for repeal or closure due to dormancy or minimal activity. Subsequently, DOA closed six of these funds, and 25 funds remain open. See Appendix 9 for the FY 2005 financial activity and enabling legislation of the 25 funds.

During FY 2005, only five of these 25 funds had revenues, ranging from a low of \$266 to a high of \$46,475 from the Rabies Prevention Fund. Only two funds had expenditures, amounting to a total of \$15,082. Seven of these funds are already closed in the DOA AS400 system, but still require legislation to repeal them.

By repealing these funds identified in prior audits, an aggregate amount of \$625,050 in fund balances will revert to the General Fund to reduce its deficit. Of this amount, \$293,517 is from the Drivers' Education Fund, \$154,917 from the Dededo Buffer Strip Revolving Fund, and \$138,951 from the Rabies Prevention Fund. Again, because of the General Fund deficit, the likelihood of cash being identified and provided to fund these projects is doubtful.

In prior years, the annual revenues within these funds remained relatively constant and few were making expenditures. See Table 2 for the accumulated totals of FY 2002 through 2004 revenues and expenditures for these 25 funds recommended for repeal in prior audits and Appendix 10 for detailed financial activities.

Table 2: Prior Audit Funds Revenues and Expenditures (25 funds)

2004		2003		2002	
Revenues	Expenditures	Revenues	Expenditures	Revenues	Expenditures
\$ 103,883	\$ 48,145	\$ 126,994	\$ 10,612 ⁶	\$ 60,275	\$ 6,237

We again, recommend the Legislature repeal these 25 funds and direct their remaining fund balances of \$625,050 to the General Fund.

Funds with Minimal Activity

We determined funds having minimal activity if revenues or expenditures were less than the threshold of \$500,000. We identified nine funds that did not meet this criterion. These funds recognized minimal revenues and expenditures, which resulted in additional accounting work for DOA. Revenues in FY 2005 ranged from a low of \$63 to a high of \$87,597 from the Human Resources Revolving Fund. Additionally, one of the nine funds, the Program Development Fund had a (\$4,320) deficit fund balance. See Appendix 11 for the FY 2005 detailed financial activities and enabling legislation of the funds with minimal activity.

⁶ This amount is net of \$13,650,014 which came from the Guam Housing Corporation Fund which represents the write-off of the receivable from Guam Housing Corporation via legislation.

By repealing these funds with minimal activity, an aggregate amount of \$2,148,067 in fund balances as of September 30, 2005 will revert to the General Fund to reduce its deficit. Of this amount, \$303,838 is from the Safe Streets Fund, \$226,665 from the Wildlife Conservation Fund, and \$1,126,763 from the State Agency for Surplus Property. See Table 3 for the FY 2002 through 2004 accumulated revenues and expenditures of these nine funds with minimal activity and Appendix 12 for detailed financial activities.

In the FY 2007 proposed executive budget transmitted by the Governor in February 2006, the Safe Streets Fund and the Guam Plant Inspection Permit Fund had estimated revenues of \$196,000 and \$44,507, respectively. Given the past history of these two funds, this is an optimistic revenue forecast for these funds since past revenues have been minimal. For FY 2005 the Safe Streets Fund did not have any revenues, while the Guam Plant Inspection Permit had \$44,221 in revenues.

Table 3: Funds with Minimal Activity Revenue and Expenditures (Nine funds)

2004		2003		2002	
Revenues	Expenditures	Revenues	Expenditures	Revenues	Expenditures
\$ 221,009	\$ 596,695	\$ 77,995	\$ 56,627	\$ 159,928	\$ 102,126

Based on the minimal financial activity of these nine funds, we recommend the Legislature repeal these funds and transfer the remaining fund balances of \$2,148,067 to the General Fund.

Funds Recommended for Consolidation via Legislation

From our review of the funds within DOA’s AS400 System, as well as our prior audit of the Chamorro Land Trust Commission (CLTC), we found six special revenue funds were created for the CLTC⁷ and another six special revenue funds were created for the Guam Environmental Protection Agency (GEPA). We also found two funds from the Medically Indigent Program (MIP) had similar purposes. The accounting for numerous funds that have the commonality of being created for one specific department, agency, or program becomes cumbersome and creates additional work for DOA. See Appendix 13 for FY 2005 financial activity of the funds recommended for consolidation via legislation and Appendix 14 for the FY 2002 through 2004 financial activities of these funds. We recommend these funds be consolidated into one fund each for CLTC, GEPA, and MIP.

Chamorro Land Trust Commission (CLTC)

The CLTC was created in January 1975 to protect and ensure trust lands are efficiently and effectively awarded to native Chamorros through residential, agricultural, and commercial leases. DOA maintains six special revenue funds for CLTC: (1) Chamorro Home Loan Fund, (2) Chamorro Commercial Loan Fund, (3) Chamorro Home Repair Fund, (4) Chamorro Home Development Fund, (5) Chamorro Educational Assistance Fund, and (6) Chamorro Loan Guarantee Fund.

⁷ With the passage of P.L. 28-68 in FY2006, the Guam Legislature created another special revenue fund called the Chamorro Land Trust Operations Fund. We did not review this fund because it was created after October 1, 2005.

With the exception of the Chamorro Commercial Loan Fund, the other five funds had no financial activity within our scope period of fiscal years 2002 through 2005.

Guam Environmental Protection Agency (GEPA)

GEPA is a line agency of the Government of Guam that is responsible for the implementation of the Water Resource Conservation Act, Water Pollution Control Act, Toilet Facilities and Sewage Disposal Act, Air Pollution Control Act, Guam Pesticides Act, and Solid Waste. As of September 30, 2005, DOA maintains six special revenue funds for GEPA: (1) the Solid Waste Management Plan, (2) Air Pollution Control Fund, (3) Recycling Revolving Fund, (4) Water Protection Fund, (5) the Water Research and Development Fund, and (6) the Guam Environmental Trust Fund.

With the exception of the Air Pollution Control Fund, the other five funds did not meet the \$500,000 threshold. Five of the six special revenue funds have been active in revenues and expenditures, while the sixth fund was recently created in the 27th Guam Legislature.

Medically Indigent Program (MIP)

The Medically Indigent Program Payment Revolving Fund (MIPPR) was created by Public Law 25-164 for the payment of any authorized MIP obligation, regardless of when the obligation was incurred. A similar fund, the Medicaid and Medically Indigent Program Assistance Payment Fund (MMIPAPF) was created by Public law 26-58 to cover any shortfalls of MIP and Public Assistance Program of the Department of Public Health and Social Services.

The MIPPR showed significant financial activity over the past four fiscal years, while the MMIPAPF only had expenditures in FY 2002. The MIPPR has a (\$436,049) deficit fund balance.

See Appendix 14 for the funds recommended for consolidation via legislation and the FY 2002, 2003, and 2004 financial activities of these funds.

Funds Recommended for Structural Amendment via Legislation

We identified two special revenues funds that we recommend for structural amendments because the respective enabling legislation did not specify a sunset provision and unnecessarily appointed DOA a pass through entity. The funds include:

- Typhoon Chataan and Halong Fund
- University of Guam Capital Improvements Fund

See Appendix 15 for the FY 2005 financial activity and enabling legislation for these funds.

Typhoon Chataan and Halong Fund – P.L. 26-116

This fund was created to account for appropriations to cover the emergency recovery needs of Guam resulting from Typhoons Chataan and Halong. The typhoons occurred in 2002 and recovery expenditures should soon come to an end. We recommend the Legislature include a sunset provision to close this fund when expenditures have been completed or in five years, whichever is sooner. We further recommend that future legislation creating funds designed for specific events include a sunset provision up to five years, depending on the circumstances.

University of Guam Capital Improvements – P.L. 26-48

This fund was created to account for the design, construction and collateral equipment of the College of Business and Public Administration and for the replacement of the roof of the Fine Arts Building at the University of Guam (UOG). Beginning in FY 2002, this fund is annually appropriated \$500,000 from the Guam Highway Fund to pay for UOG's debt service.

After the annual transfer of the \$500,000 from the Guam Highway Fund to the UOG Capital Improvements Fund, DOA then transfers this amount to UOG. Based on our review of the transactions, it appears that this fund acts more as a pass through, adding additional work to DOA to transfer these funds. We recommend the Legislature amend this legislation to have the \$500,000 directly transferred to UOG from the Guam Highway Fund.

Funds Requiring Closure in DOA's AS400 System

During our review of the enabling legislation of these funds, we identified the following funds that can be closed by DOA:

- 12 funds already repealed by legislation;
- Six funds repealed by legislation that transferred its activities to another fund;
- Eight funds that can be consolidated into three; and
- Seven funds that have outlived their purpose.

By closing these funds and transferring the fund balances to the General Fund, \$3,673,498 will revert to the General Fund to offset its deficit. This will also improve the efficiency of DOA's accounting because they will be accounting for 30 less funds.

Repealed Funds

Repealed funds are those that have been closed through legislation. We identified 12 funds that have been repealed. A repealed fund's continued existence creates additional administrative work for DOA, such as reversing unintended postings or correcting erroneous transactions that may also go undetected. As an example, there were four funds repealed by public law, the Veteran's Bonus Fund, the Group Life Insurance Fund, the PUAG/Water Fund, and the PUAG Fund that had postings in error for revenues of \$646,039 and combined fund balances of \$1,630,848. Had these funds been closed, these

postings would have been rejected. See Appendix 16 for the FY 2005 financial activity and the legislation that repealed these funds.

In February 2006, we notified DOA of these repealed funds and recommended their closure in the AS400 System. See Appendix 17 for the letter of notification.

Repealed Funds Transferred to Another Fund

As stated earlier, there were six funds that were repealed by legislation and transferred to another fund. These six funds are still open in the AS400 System. By transferring these funds to their designated fund, DOA will be accounting for six less funds. See Appendix 18 for the FY 2005 financial activity and legislation that repealed these funds.

Funds Requiring Consolidation

Through our review of the funds' enabling legislation and the review of the AS400 System, we found eight special revenues funds that can be consolidated into three funds by DOA. See Appendix 19 for the legislation that consolidated these funds and their FY 2005 financial activity.

With the enactment of P.L. 26-76, all revenue generated by DOA from the mass transit system should go to the Public Transit Fund. This law transferred all activity from GMTA and Guam Mass Transit Authority to the Public Transit Fund. The Public Transit Fund had a \$585,509 fund balance, while the other two funds had no activity. By consolidating these funds, DOA may close the GMTA and Guam Mass Transit Authority.

The establishment of the Public Recreation Services Fund replaced the Parks Fund, the Parks and Recreation Revolving Fund, and the Recreation Revolving Fund and authorized their closure. The Parks and Recreation Revolving Fund had a (\$163,265) deficit fund balance, the Recreation Revolving Fund had a \$243,192 fund balance, while the Public Recreation Services Fund had a \$76,725 fund balance. By consolidating these funds, the combined fund balance will be \$156,652 in the Public Recreation Services Fund.

The Land Survey Revolving Fund and the Land Survey Fund may have been created from the same enabling legislation. According to DOA, the Land Survey Revolving Fund was created by P.L. 14-136 and the Land Survey was codified in 21 GCA § 60602. After reviewing these statutes, we confirmed with the Compiler that they were the same citation of this fund. This fund was amended several times. By consolidating these funds, the combined fund balance will be \$1,409,585.

Funds That Have Outlived Their Purpose

We identified seven dormant or inactive funds that have outlived their purpose due to changes in accounting policies or through the completion of programs. See Appendix 20 for details of these funds that have outlived their purpose.

As an example, with the implementation of Government Accounting Standards Board (GASB) 34, the General Long Term Debt Account Group and the General Fixed Assets

Account Group are dormant because these funds are no longer required. However, sufficient subsidiary records must be maintained for capital assets and long term debt.

Another example includes the DOD Contract Fund, created by DOA to account for funds from the US Department of Defense to the Guam Department of Education to provide for fixed tuition payment for DOD students enrolled in the public school system. With the creation of the Department of Defense Educational Activity Schools (DODEA), the Government of Guam no longer receives funding for the education of children of military or other defense related personnel. As of September 30, 2005, this fund had a \$7 fund balance that can be reverted to the General Fund.

The 1994 General Obligation Bond Debt Service Fund was used to account for funds required by the bond indenture to redeem bond principal and to pay bond interest as such becomes due. According to DOA, this debt is now fully retired, but the fund still has a \$2,070,182 fund balance as of September 30, 2005. There is no cash in this fund.

The Firefighter Equipment and Replacement Fund was created to serve as a receiving account for all funds, whether local, federal, or donated, to replace and repair essential firefighting equipment for the Guam Fire Department. This fund was initially appropriated \$600,000 for replenishing firefighting equipment. A sunset provision required the fund repealed after all amounts appropriated are exhausted. The fund has outlived its purpose because as of September 30, 2005, the fund had exhausted its appropriation and a (\$27,539) deficit fund balance remained.

We recommend DOA close these funds that have outlived their purpose and direct their remaining fund balances to the General Fund.

Funds Recommended to Remain Open

As mentioned earlier, our criteria for determining whether funds were dormant or inactive was a threshold of \$500,000. We identified 41 funds that met the criteria, while another 17 funds were necessary for government function. We performed a limited review of these funds and found they have healthy financial activity. See Appendix 21 and 22 for the FY 2002, 2003, 2004, and 2005 financial activities of funds that met the \$500,000 threshold. See Appendix 23 and 24 for the FY 2002, 2003, 2004, and 2005 financial activities and enabling legislation for the funds identified as necessary for government function.

Conclusion

From our review of funds maintained by DOA, we identified 177 different funds, inclusive of the general fund, capital projects funds, debt service funds, and special revenue funds. Of these funds, we identified 70 funds that we recommend should be repealed and 33 funds that should be closed by DOA.

We identified a total impact of \$9,835,025 in net fund balances that can revert back to the General Fund as follows:

Funds Recommended for Repeal via Legislation

- 36 dormant and inactive funds with \$3,388,410 in fund balances,
- 25 funds recommended for repeal in prior audits with \$625,050 in fund balances
- Nine funds with minimal activity with \$2,148,067 in fund balances,
- Revenues of approximately \$347,000 would be recorded in the General Fund.

Funds Recommended for Consolidation via Legislation

- Six funds maintained by the Chamorro Land Trust Commission that can be consolidated into one fund;
- Six funds maintained by the Guam Environmental Protection Agency that can be consolidated into one fund; and
- Two funds with similar purposes for the Medically Indigent Program that can be consolidated into one fund.

Funds Recommended for Structural Amendment via Legislation

- Two funds that should be structurally amended to include a sunset provision or remove DOA as a pass-through entity.

Funds Requiring Closure by DOA

- 12 funds that were repealed by legislation with \$1,630,848 in fund balances;
- Six funds that were repealed and transferred to another fund;
- Eight funds that should be consolidated;
- Seven funds no longer required because they have outlived their purposes with \$2,042,650 in fund balances.
- Revenues of approximately \$646,000 would be recorded in the General Fund.

Many of the funds do not have a recurring specific source of revenue to classify the fund as a special revenue fund. The funds were created by an appropriation from the General Fund. Given the General Fund deficit of (\$313,593,155) as of September 30, 2004, the appropriated transfers to these funds were not made due to the lack of cash within the General Fund. The elimination of these special revenue funds does not necessarily mean that the policy directive behind the creation of the fund was flawed.

Draft Legislation

As part of the review of the dormant and inactive funds, the OPA worked with the Compiler of Laws who identified the enabling legislation of each fund. Additionally, part of the mandate of P.L. 28-68 in this review of dormant accounts requires the OPA and Compiler to prepare and recommend changes to the enabling mandates of accounts identified for closure, consolidation or structural amendment. Although neither office is in the common practice of drafting legislation, the Compiler attempted to comply with the statutory mandate by providing the attached draft legislation. See Appendix 25 for a description of the Compiler of Laws functions along with a compact disc provided to allow convenient hyperlinks to the enabling legislation of each fund identified in this engagement and the draft legislation proposed by the Compiler.

Recommendations

Recommendations to the Legislature:

1. We recommend the Legislature:
 - Repeal 70 funds, consisting of 36 dormant and inactive funds, 25 funds recommended for repeal or closure in prior audits, and nine funds with minimal activity, and transfer the remaining fund balances of \$6,161,527 and revenues of approximately \$347,000 to the General Fund. See Appendices 7 through 12 for these funds.
 - Consolidate six funds maintained by the Chamorro Land Trust Commission into one fund, six funds maintained by the Guam Environmental Protection Agency into one fund, and two funds from the Medically Indigent Program Payment Fund into one fund. All remaining funds balances should transfer to the parent fund and then allow DOA to close these funds in the AS400 System. See Appendix 13 and 14 for these funds.
 - Amend the current enabling legislations for two funds to add a sunset provision allowing the immediate closure once it has fulfilled its purpose or to delete DOA as the pass-through entity as the receiver of funds. We further recommend that future legislation creating funds designed for specific events include a sunset provision up to five years, depending on the circumstances. See Appendix 15 for these funds.

For simplicity and maintenance of accounting records, appropriation projects can be accomplished through an account within the General Fund rather than through a creation of a separate special revenue fund.

Recommendations to DOA:

2. We recommend DOA:
 - Officially close 12 funds based on their repeal, transfer any remaining balances of \$1,630,848 and revenues of approximately \$646,000 to the General Fund, and ensure that they are made inaccessible for future postings and appear only for viewing. See Appendix 16 for these funds.
 - Close six funds that were repealed and transfer their activities to their designated fund. See Appendix 18 for these funds.
 - Consolidate eight funds based on legislation, transfer any remaining balances to the parent fund, close those funds, and ensure that they are

made inaccessible for future postings and appear only for viewing. See Appendix 19 for these funds.

- Close seven funds that have outlived their purpose, transfer their remaining balances of \$2,042,650 to the General Fund, and close these funds and ensure they are made inaccessible for future postings and appear only for viewing. See Appendix 20 for these funds.

Management Response

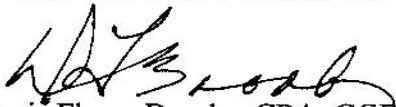
We provided a draft copy of our report to the DOA management for review and comment. The Director of Administration concurred with our recommendation to close these special revenue funds. DOA's response is attached as Appendix 26 of this report.

This report has been released to the Governor of Guam, the Speaker and members of the 28th Guam Legislature, the Director of Administration, the Director of the Bureau of Budget and Management Research, and the U.S. Department of Interior Guam Office. This report is a matter of public record and its distribution is not limited.

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 the Department of Administration to provide the target date and title of the staff responsible for implementing the recommendations.

This report does not provide conclusions involving legal determinations. This report contains only evidentiary conclusions based on documentation available during our review.

OFFICE OF THE PUBLIC AUDITOR



Doris Flores Brooks, CPA, CGFM
Public Auditor

COMPILER OF LAWS



Andrew Sergio Quenga
Compiler of Laws

Appendix 1:
Classification of Monetary Impact

Finding Area	Funds To Be Put To Better Use
A. Funds Recommended for Repeal	
Dormant and Inactive Funds	\$ 3,388,410
Funds Recommended for Repeal in Prior Audits	\$ 625,050
Funds with Minimal Transactions	\$ 2,148,067
B. Funds Recommend for Consolidation	\$ -
C. Funds Recommended for Structural Amendment	\$ -
D. Funds Required for Closure in DOA's AS400 System	
Repealed Funds	\$ 1,630,848
Repealed Funds Transferred to Another Fund	\$ -
Funds Requiring Consolidation	\$ -
Funds No Longer Required	\$ 2,042,650
E. Funds Recommended to Remain Open	
Funds Meeting OMB A-133 Criteria	\$ -
Funds Required for Government Function	\$ -
Total Monetary Impact	\$ 9,835,025

Appendix 2: Scope and Methodology

The scope of the audit included a review of funds within the Government of Guam's Basic Financial Statements (BFS) and DOA's AS400 Financial Management System. The period covered by our report was the 48-month period from October 1, 2001 through September 30, 2005.

The performance audit methodology included gaining an understanding of each fund's enabling legislation and other applicable laws that govern the administration of the funds and reviewing the FY 2005 revenue and expenditure transactions of the funds. For FY 2002, 2003, and 2004, we extracted amounts from the Government of Guam's financial audits. We judgmentally utilized a threshold of \$500,000⁸ to determine whether a fund should be retained. Based on this threshold, all funds that fell under the threshold were then reviewed to determine whether they were dormant or inactive. Funds that met the threshold were not reviewed, but included in this report for information purposes. From our review of the funds' enabling legislation, we identified funds that required consolidation or structural amendment.

Due to time constraints, we did not analyze the impact to the local community, federal programs, local programs, or government services or activities, as a result of these recommended closures and consolidations of these special revenue funds.

Our performance 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.

⁸ OMB Circular A-133 was issued pursuant to the Single Audit Act of 1984, P.L. 98-502, and the Single Audit Act Amendments of 1996, P.L. 104-156. It sets forth standards for obtaining consistency and uniformity among federal agencies for the audit of states, local governments, and non-profit organizations expending federal awards. Subpart B of A-133 sets a threshold amount of \$500,000 (effective December 31, 2003) for federal monies that are expended during a year to be audited.

Appendix 3:
Excerpt from P.L. 28-68

Chapter IV, Section 70. (a) Dormant Account Review. The Public Auditor and Compiler of Laws shall immediately review all existing Government of Guam dormant or inactive accounts to determine whether they are no longer necessary or require consolidation caused by evolving mandates, priority changes, outsourcing, privatization, down-scaling, service or program cessation or expansions within the Government of Guam. The Public Auditor shall be the lead person and point of contact in the execution of this Section. The Public Auditor and Compiler of Laws shall within ninety (90) days after their initial meeting, prepare a report which shall:

- (1) Recommend the closure, consolidation or structural amendment(s) to the enabling mandate of Government of Guam accounts requiring such action;
- (2) include existing fund balances and a statistical analysis of activities for accounts identified within item 1;
- (3) outline the potential impact to the local community including impacts to existing federal programs, local programs, government services or activities where applicable; and
- (4) Prepare and recommend changes to the enabling mandates of accounts identified within item 1, not limited to the closure, consolidation or any structural amendment necessary correlating with conditions requiring improved accountability, efficiency, outreach, effectiveness or savings.

(b) Formulation of a Written Report of Findings and Recommendations.

A written comprehensive report shall be prepared by the Public Auditor and the Compiler of Laws, which shall include their findings, recommendations and proposed plan to address the disposition of Government of Guam accounts requiring action as provided for within Subsection A. The Public Auditor shall deliver the report to *I Maga'lahaen Guåhan*, the Speaker and Chairman of the Committee on Finance, Taxation and Commerce of *I Liheslaturan Guåhan* no later than fifteen (15) days upon the completion of the report.

Appendix 4:

Governmental Fund Types

The following are excerpts from An Elected Official's Guide to Fund Balance and Net Assets by Stephen J. Gauthier.

“A fund can be described as a separate fiscal and accounting entity used to segregate resources related to specific activities (e.g., highway construction). Long ago, each fund represented a separate bank account. Modern funds, however, function essentially as categories for organizing information on assets and liabilities for accounting and budgetary purposes.”

“There is no limit to the number of individual funds that a government may establish. All the same, “Only the minimum number of funds consistent with legal and operating requirements should be established, ...since unnecessary funds result in inflexibility, undue complexity, and inefficient financial administration.”⁹

“All of a government's funds must be classified into three broad categories. *Governmental funds* generally are used to account for tax-supported activities. *Proprietary funds* are used to report business-type activities (e.g., utilities, motor pools). *Fiduciary funds* are used to account for resources held for others as an agent or trustee and which are not available to support the government's own programs.”

For the purposes of this engagement, our scope focused on governmental funds, including the general fund, special revenue funds, debt service funds, capital projects funds, and permanent funds.

General Fund- This fund is the primary operating fund for the Government of Guam. It is used to account for all governmental transactions, except those required to be accounted for in another fund.

Special Revenue Fund- This fund accounts for specific revenue sources that have been aggregated according to enabling legislation to support specific governmental activities.

Capital Projects Fund- This fund accounts for the acquisition or construction of major Government of Guam capital facilities primarily for loans and federal reimbursements.

Debt Service Fund- This fund accounts for the accumulation of resources, principally transfers from other funds, for the payment of long-term debt principal and interest.

⁹ National Council on Government Accounting Statement 1, *Government Accounting and Financial Reporting Principles*, paragraph 4.

Appendix 5: Prior Audit Coverage

Special revenue funds maintained by DOA are included in the annual audit of the Government of Guam. Not all special revenue funds, however, are tested in detail. Only those funds over a material amount are selected for audit on a rotational basis.

- **Report 04-04 issued March 2004: Department of Administration's Special Revenues Part I**

OPA found that the majority of the special revenue funds maintained by DOA had little to no financial activity. OPA identified inactive funds that were reliant on the General Fund, funds that were designed only for a specific event, but the event had passed; funds that were already accounted for by other entities; funds that were created erroneously due to inconsistent legislation; funds that were created by conflicting legislation; funds that were not closed in DOA's financial management system, despite being repealed; and funds that were composed of immaterial transactions. The funds that were not acted upon were addressed in this report.

- **OPA Report No. 04-12 issued October 2004: Audit of the Government of Guam's Health and Human Services (HAHS) Fund and Youth Tobacco Education and Prevention (YTEP) Fund**

OPA found that the HAHS and YTEP Funds were not utilized during fiscal year 2002 and 2003, thus failing to fulfill its intended purpose. The audit also found that the laws established for the HAHS Fund conflicted with the requirements of the tax certificate, which allowed the Government of Guam to issue tax-exempt bonds. This conflicting law may be construed to be a potential breach of agreement by the Government of Guam to its bond counsel, bondholders, or the federal government. We recommended DOA retain the accounting responsibility for the HST and UOG fund through FY 2004 and work in conjunction with GEDCA, GMH, and UOG to ensure that all financial transactions are recorded; and work in conjunction with GEDCA, GMH, and UOG to transfer all accounting responsibility, of the HST Fund and UOG Fund, to GMH and UOG respectively, beginning in FY 2005.

- **OPA Report No. 04-13 issued December 2004: Dededo Buffer Strip (DBS) Revolving Fund**

OPA found that DOA records show that the DBS Revolving Fund has remained open and continues to receive payments from a single DBS commercial lease. The DBS Revolving Fund shows an ending balance of \$130,815, as of September 30, 2003, which should have been transferred to the Dededo and Yigo MPC Revolving Funds. Based on our review, the Government of Guam would have difficulty in repaying the \$130,815 debt to the MPC Revolving Funds because of the General Fund's current financial deficit. We found that the Dededo and Yigo Mayors had not submitted the required annual financial reports to the MCOG and have not promulgated rules or regulations on the use of DBS proceeds.

Appendix 6:
Excerpt from OMB Circular A-133

Circular No. A-133

Revised to show changes published in the
Federal Register June 27, 2003

Audits of States, Local Governments, and Non-Profit Organizations
Subpart B--Audits

§____.200 Audit requirements.

(a) **Audit required.** Non-Federal entities that expend \$300,000 (*\$500,000 for fiscal years ending after December 31, 2003*) or more in a year in Federal awards shall have a single or program-specific audit conducted for that year in accordance with the provisions of this part. Guidance on determining Federal awards expended is provided in **§____.205**.

(b) **Single audit.** Non-Federal entities that expend \$300,000 (*\$500,000 for fiscal years ending after December 31, 2003*) or more in a year in Federal awards shall have a single audit conducted in accordance with **§____.500** except when they elect to have a program-specific audit conducted in accordance with paragraph (c) of this section.

(c) **Program-specific audit election.** When an auditee expends Federal awards under only one Federal program (excluding R&D) and the Federal program's laws, regulations, or grant agreements do not require a financial statement audit of the auditee, the auditee may elect to have a program-specific audit conducted in accordance with **§____.235**. A program-specific audit may not be elected for R&D unless all of the Federal awards expended were received from the same Federal agency, or the same Federal agency and the same pass-through entity, and that Federal agency, or pass-through entity in the case of a subrecipient, approves in advance a program-specific audit.

(d) **Exemption when Federal awards expended are less than \$300,000 (*\$500,000 for fiscal years ending after December 31, 2003*).** Non-Federal entities that expend less than \$300,000 (*\$500,000 for fiscal years ending after December 31, 2003*) a year in Federal awards are exempt from Federal audit requirements for that year, except as noted in **§____.215(a)**, but records must be available for review or audit by appropriate officials of the Federal agency, pass-through entity, and General Accounting Office (GAO).

(e) **Federally Funded Research and Development Centers (FFRDC).** Management of an auditee that owns or operates a FFRDC may elect to treat the FFRDC as a separate entity for purposes of this part.

Appendix 7:

Dormant and Inactive Funds Recommended for Repeal via Legislation—FY 2005 Financial Activity

					2005 (Unaudited)		
Fund Number	Fund Name	Enabling Legislation	Description	Revenues	Expenditures	Remaining Fund Balance	
1	107	Post Fund	P.L. 24-145	This fund was created to carry out the functions for administration, operations, training costs of Peace Officers, management surveys, research, management assistance, and other operating expenses and encumbrances of the Commission in performing its duties and obligations. Revenues from this fund come from the Commission's ability to accept grants of money, materials, or property of any kind from the Federal government for the territory.	\$ -	\$ -	\$ -
2	210	Land for the Landless	P.L. 22-63	This fund was created to account for all the funds acquired from the sale of lands sold by the government of Guam to individuals under the "Land for the Landless" program. Expenditures from this fund can only be used for the installation and maintenance of infrastructure within the various subdivisions under the "Land for the Landless" program.	\$ 9,828	\$ -	\$ 80,185
3	223	Litter Control Revolving	P.L. 23-64	This fund was created to account for all fines, assessments, bail forfeitures and other funds collected from the violation of the Territorial litter laws. Expenditures from this fund are authorized for the enforcement of the litter laws, educational programs, and cleanup of public areas.	\$ -	\$ -	\$ 9,815
4	231	GFD Capital Outlay Revolving Fund	P.L. 22-52	This fund was created to purchase essential emergency rescue and firefighting vehicles, and emergency life support and medical equipment. This fund was amended by P.L. 28-68 and its name was changed to the Fire, Life, and Medical Emergency Fund (FLAME). Revenues are to come from fees from the non-emergency use of an ambulance.	\$ -	\$ -	\$ -
5	243	Farmers' and Fishermen's Loan Revolving	P.L. 20-105	This fund was created to grant loans to farmers and fishermen not to exceed \$50,000 and not to exceed 4% interest per annum per individual. The loans shall be used for improvement of farmlands and farming and fishing operating expenditures. Payments of principal and interest on the loans shall be deposited to the Fund.	\$ 500	\$ -	\$ 126,430

Appendix 7:

Dormant and Inactive Funds Recommended for Repeal via Legislation—FY 2005 Financial Activity

					2005 (Unaudited)		
	Fund Number	Fund Name	Enabling Legislation	Description	Revenues	Expenditures	Remaining Fund Balance
6	248	Guam Beautification	P.L. 21-128	This fund was created to account for fifty percent (50%) of assessments, fines, bail forfeitures and other funds collected or received pursuant to the laws on Litter and Defacement Control.	\$ -	\$ -	\$ 50,729
7	249	Municipal Litter and Defacement Fund	P.L. 21-126	This fund was created to account for monies received from fines from violators of sanitary and health laws (5 GCA §40115 (c)) and from violators of litter and defacement laws (5 GCA § 40128 (g)).	\$ -	\$ -	\$ -
8	261	Notary Public Revolving	P.L. 23-81	This fund was created to account for all funds generated from fees garnered from the application, authentication, copying, and any other government fee required by the Notaries Public Chapter in the Guam Code Annotated.	\$ 7,775	\$ -	\$ 22,986
9	264	Drug Treatment and Enforcement	P.L. 25-164	This fund was created to account for all fines collected by the Superior Court of Guam for violation of the Guam Uniform Controlled Substances Act. Funds are to be used exclusively for the support of drug treatment, education and enforcement efforts.	\$ -	\$ -	\$ -
10	269	Public Service Recovery	E.O. 98-12	This fund was created for equipment, contracts, and for facilities for the public's use and benefit, whether or not a facility is subject to user fees or rates.	\$ -	\$ -	\$ (382)
11	275	SW Medical Monitoring	P.L. 24-181	This fund was created for the purpose of monitoring people where solid waste management facilities exist, and compensating them by providing funding for community healthcare needs or community health care programs in villages as provided for the SWMF Health Monitoring and Compensation Act of 1998.	\$ -	\$ -	\$ 125,001
12	286	Utility Bank Fund	P.L. 25-164	This fund was created for the payment of the government of Guam's utility bills, including power, water, sewer, and basic telephone service.	\$ -	\$ -	\$ -

Dormant and Inactive Funds Recommended for Repeal via Legislation—FY 2005 Financial Activity

					2005 (Unaudited)		
	Fund Number	Fund Name	Enabling Legislation	Description	Revenues	Expenditures	Remaining Fund Balance
13	289	Safe Drinking Water Fund	P.L. 25-51	This fund is to collect all fees, monetary charges and other funds received pursuant to the Guam Lead Ban Act. The fund is for the administration and implementation of the Safe Drinking Water Program; for public education and similar outreach programs...	\$ -	\$ -	\$ -
14	290	Barbering and Cosmetology Fund	P.L. 25-188	This fund was created to account for all proceeds from fees and fines collected pursuant to the Barbering and Cosmetology Act of 2000.	\$ -	\$ -	\$ -
15	295	GFD Lease-to-Purchase Program	P.L. 26-35	This fund was created to be used for the payment of debt service incurred for the lease or purchase for needed firefighting equipment.	\$ -	\$ -	\$ 600,000
16	296	Healthcare Systems Privatization Fund	P.L. 26-35	This fund was created for the implementation, monitoring, and contract payments of the Healthcare Systems Programs and the Healthcare System contract. This fund was initially appropriated \$9,780,000 from the General Fund and \$5,337,107 from Federal Grants-in-Aid. Cash was not transferred to this fund.	\$ -	\$ -	\$ -
17	301	Income Tax Rebate	P.L. 22-159	This fund was created to segregate and accumulate for disbursement, tax monies paid in by GEDA Qualifying Certificate holders. This fund also serves to measure the financial impact of the GEDA program.	\$ -	\$ -	\$ -
18	307	Guam Based Trust	P.L. 25-73	This fund was created to provide for the protection of the public interest and to regulate companies that engage in Trust Company business.	\$ 85	\$ -	\$ 1,979
19	312	Farmers Small Loan Revolving	P.L. 11-119	This fund was created by local appropriation for the purpose of making low interest loans to local farmers and fishermen.	\$ -	\$ -	\$ 16,661

Appendix 7:

Dormant and Inactive Funds Recommended for Repeal via Legislation—FY 2005 Financial Activity

					2005 (Unaudited)		
	Fund Number	Fund Name	Enabling Legislation	Description	Revenues	Expenditures	Remaining Fund Balance
20	313	Inmates Work Release	P.L. 21-75	This fund was created to provide gainful employment to persons who, having been sentenced after convictions of crime, while in the custody of the Department of Corrections. Revenues from this fund come from fees and charges for the work products or products generated by the Program.	\$ -	\$ -	\$ -
21	316	Off-Island Sports	P.L. 14-33	This fund was created to provide grants for transportation expenses for off-island travel by civilian sports organizations and individuals who engage in athletic competition and ROTC Drill Teams.	\$ 120	\$ -	\$ 620
22	319	Community Development	P.L. 18-15	This fund was created for the purpose of providing minor repairs and maintenance services to the communities in Guam. Revenues are provided through transfers from the Tourist Attraction Fund.	\$ -	\$ -	\$ -
23	321	Income Tax Efficiency Payment	P.L. 26-74	This fund was created to invest into interest bearing instruments, United States treasury notes, investment grade and insured corporate notes, and other like instruments which are readily convertible to cash needed to pay income tax refunds.	\$ -	\$ -	\$ -
24	327	Taguag Memorial Cemetery	E.O. 85-07	This fund was created to fund the cost of opening and closing graves and general maintenance of the grounds. Revenues from this fund are comprised exclusively of cemetery plot fees.	\$ 17,200	\$ -	\$ 48,886
25	331	Puntan Dos Amantes Park Trust	P.L. 24-133	This fund was created to be for capital improvements to the Puntan Dos Amantes Park.	\$ -	\$ -	\$ -

Appendix 7:

Dormant and Inactive Funds Recommended for Repeal via Legislation—FY 2005 Financial Activity

					2005 (Unaudited)		
	Fund Number	Fund Name	Enabling Legislation	Description	Revenues	Expenditures	Remaining Fund Balance
26	350	Constr Dededo Precint/Crimelab	P.L. 24-243	This fund authorizes the Governor of Guam to borrow one or more general obligation loans of the government of Guam in the aggregate principal amount not exceed Seven Million Dollars. One million was to undertake the cost of the design, plans and construction of the Dededo Police Precinct, while six million dollars was for the cost of the design, plans and construction of the Crime Lab.	\$ -	\$ -	\$ -
27	352	Guam Rehabilitation	P.L. 13-122	The enabling legislation for this fund could not be identified. This fund was mentioned in P.L. 13-122, as some type of loan fund.	\$ -	\$ -	\$ -
28	503	Education Facilities Fund	P.L. 26-58	This fund was created for the sole purpose of constructing or renovating education facilities. The Fund was initially funded with Two Million Three Hundred Thousand Dollars (\$2,300,000). Investment income on the assets of the Fund shall be deposited in the Fund. No cash was ever transferred to this fund.	\$ -	\$ -	\$ 2,300,000
29	606	Lost and Damaged Textbooks	P.L. 27-29	This fund was created to account for all funds received by schools for lost or damaged textbooks. Expenditures can be made to purchase new textbooks and collateral classroom instructional materials.	\$ -	\$ -	\$ -
30	609	Municipal Recycling Proceeds	P.L. 27-37	This fund was created to account for the proceeds from the sale of recyclable materials collected by each village. All proceeds from fees collected are to be used for the needs of that village as determined by the respective Municipal Planning Council.	\$ -	\$ -	\$ -

Dormant and Inactive Funds Recommended for Repeal via Legislation—FY 2005 Financial Activity

					2005 (Unaudited)		
	Fund Number	Fund Name	Enabling Legislation	Description	Revenues	Expenditures	Remaining Fund Balance
31	610	Community Advancement Fund	P.L. 27-35	This fund was created for the advancement of the best interests of the community. This fund was initially appropriated Fifteen Million Three Hundred Ninety-Eight Thousand Seven Hundred Sixty-Three Dollars (\$15,398,763.00). No transfer of cash was ever made.	\$ -	\$ -	\$ -
32	611	Banking and Insurance Enforcement	P.L. 27-88	This fund is for enforcement of the Office of Commissioner of Banking and Insurance, and the Banking and Insurance Board, subject to appropriations. Revenues come from examination fees based on cost per hour per examiner, plus travel, per diem and other related expenses for all institutions examined.	\$ 5,500	\$ -	\$ 5,500
33	612	Guam Police Dept Loan Fund	P.L. 24-243	This fund was created to account for revenues that come from transfers from the GPD Police Services Fund and the Superior Court of Guam. Expenditures are to be made by GPD for the cost of crime fighting equipment and training.	\$ -	\$ -	\$ -
34	613	GPD Special Assessments Fund	P.L. 24-285	This fund was created for training of GPD personnel, or the purchase or repair of equipment for use by GPD. Special assessments from pleas, findings, or verdicts of guilty are assessed a \$100 penalty for misdemeanors and \$250 for felony offenses. These assessments are paid to the Superior Court of Guam, of which 75% is transferred to the GPD Special Assessments Fund.	\$ -	\$ -	\$ -
35	614	Government Ethics Fund	P.L. 25-06	This fund was created to assist the Guam Ethics Commission in ensuring ethical conduct in the government of Guam. Revenues are gained when public officials pay a \$1,000 fine for the failure to submit financial disclosures. These revenues are then appropriated to the Guam Ethics Commission for ethical investigations, audits and analyses of financial disclosures submitted.	\$ -	\$ -	\$ -
36	XX	Land Claims Fund	P.L. 16-111	This fund was created to grant loans to those persons who are eligible to bring proceedings for compensation under the provisions of Section 204 of the Omnibus Territories Act of 1977 for land acquired by the United States between July 21, 1944 and August 23, 1963.	Not available	Not available	Not available
Dormant and Inactive Funds Recommended for Repeal					\$ 41,008	\$ -	\$ 3,388,410

Appendix 8:

Dormant and Inactive Funds Recommended for Repeal via Legislation—FY 2002, 2003, and 2004 Financial Activities

			2004		2003		2002	
	Fund Number	Fund Name	Revenues	Expenditures	Revenues	Expenditures	Revenues	Expenditures
1	107	Post Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2	210	Land for the Landless	\$ 15,342	\$ -	\$ 55,014	\$ -	\$ 49,472	\$ -
3	223	Litter Control Revolving	\$ 3,280	\$ -	\$ 1,053	\$ -	\$ 3,860	\$ -
4	231	GFD Capital Outlay Revolving Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5	243	Farmers' and Fishermen's Loan Revolving	\$ -	\$ -	\$ 499	\$ -	\$ 29	\$ -
6	248	Guam Beautification	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
7	249	Municipal Litter and Defacement Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
8	261	Notary Public Revolving	\$ 8,200	\$ -	\$ 7,011	\$ -	\$ 8,075	\$ -
9	264	Drug Treatment and Enforcement	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
10	269	Public Service Recovery	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
11	275	SW Medical Monitoring	\$ 167	\$ -	\$ 124,834	\$ -	\$ -	\$ -
12	286	Utility Bank Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
13	289	Safe Drinking Water Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
14	290	Barbering and Cosmetology Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
15	295	GFD Lease-to-Purchase Program	\$ -	\$ -	\$ 600,000 ¹⁰	\$ -	\$ -	\$ -
16	296	Healthcare Systems Privatization Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
17	301	Income Tax Rebate	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
18	307	Guam Based Trust	\$ 150	\$ -	\$ 1,745	\$ -	\$ -	\$ -
19	312	Farmers Small Loan Revolving	\$ 35	\$ -	\$ 100	\$ -	\$ 113	\$ -
20	313	Inmates Work Release	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
21	316	Off-Island Sports	\$ 500	\$ -	\$ -	\$ -	\$ -	\$ -
22	319	Community Development	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
23	321	Income Tax Efficiency Payment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
24	327	Taguag Memorial Cemetery	\$ 18,250	\$ -	\$ 18,500	\$ -	\$ 12,959	\$ -
25	331	Puntan Dos Amantes Park Trust	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
26	350	Constr Dededo Precint/Crimelab	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

¹⁰ Appropriation Transfer

Appendix 8:

Dormant and Inactive Funds Recommended for Repeal via Legislation—FY 2002, 2003, and 2004 Financial Activities

	Fund Number	Fund Name	2004		2003		2002	
			Revenues	Expenditures	Revenues	Expenditures	Revenues	Expenditures
27	352	Guam Rehabilitation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
28	503	Education Facilities Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
29	606	Lost and Damaged Textbooks	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
30	609	Municipal Recycling Proceeds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
31	610	Community Advancement Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
32	611	Banking and Insurance Enforce	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
33	612	Guam Police Dept Loan Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
34	613	GPD Special Assessments Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
35	614	Government Ethics Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
36	XX	Land Claims Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Dormant and Inactive Funds Recommended for Repeal			\$ 45,924	\$ -	\$ 808,756	\$ -	\$ 74,508	\$ -

**Appendix 9:
Prior Audited Funds Recommended for Repeal —FY 2005 Financial Activity**

	Fund Number	Fund Name	Enabling Legislation	Description	2005 (Unaudited)		
					Revenues	Expenditures	Remaining Fund Balance
1	204	Summer School Fund	P.L. 26-104	This fund was created for the deposit of fees collected from students enrolled in the Summer School Program. The fund is to be expended for the operation of the Summer School Program.	\$ -	\$ -	\$ -
2	211	Plant Nursery Revolving	P.L. 26-140	This fund was created for plant nursery expenditures... Revenues come from fees collected under the Department of Agriculture's Fee Schedule for plant nursery services and activities.	\$ 17,781	\$ 6,768	\$ 2,836
3	216	Individuals w/ Disabilities Disaster Recovery	P.L. 24-172	This fund was created to mitigate damages and losses of medical equipment, medical supplies and medications to individuals with disabilities and other patients under the care of a licensed physician. Funding is through General Fund appropriations.	\$ -	\$ -	\$ -
4	218	JROTC Fund	P.L. 26-104	This fund was created to account for all money received by the government from the U.S. Department of Defense for the operation of the JROTC Programs.	\$ -	\$ -	\$ -
5	230	Vocational Rehabilitation Revolving Fund	E. O. 87-11	This fund was created to be administered by the Department of Vocational Rehabilitation to pay the wages of Guam's severely disabled workers and other expenses necessary for their employment, such as workmen's compensation insurance. Revenues come from monies received from the sale of goods produced or service performed by severely disabled workers.	\$ -	\$ -	\$ -
6	234	Guam Housing Corporation Revolving	P.L. 20-210	This fund was created to provide low interest government loan to the Guam Housing Corporation (GHC) in order for the GHC to extend low interest mortgage loans to low and moderate income families and individuals. The loans shall be used for the purpose of construction of a home under the GHC lending programs. All payments of principal and interest received by GHC as payment of the loan shall be deposited in the Fund.	\$ -	\$ -	\$ -

Appendix 9:

Prior Audited Funds Recommended for Repeal —FY 2005 Financial Activity

					2005 (Unaudited)		
	Fund Number	Fund Name	Enabling Legislation	Description	Revenues	Expenditures	Remaining Fund Balance
7	236	Accessible Parking	P.L. 24-16	This fund was created to ensure that disabled persons are given equal access to government offices and spaces. Revenues are generated from fines collected from those parked illegally in handicapped parking spaces.	\$ -	\$ -	\$ 5,566
8	240	Aquaculture Development and Training Fund	P.L. 23-56	This fund was created for the administration, operation, maintenance and improvement of the Guam Aquaculture Development and Training Center. Revenues come from the gross sales by the GADTC.	\$ -	\$ -	\$ -
9	244	Guam Museum	P.L. 25-69	This fund was created to provide benefits to Museum facility expansion and improvements. All revenues and other property of the Guam Museum are exempt from taxation from the Government of Guam. All donations to the Museum shall be tax deductible to the donors.	\$ -	\$ -	\$ -
10	246	Drivers' Education	P.L. 16-111	This fund was appropriated to the Department of Education for expenditure for safe driving instruction in the public schools.	\$ 33,575	\$ -	\$ 293,517
11	250	Consumer Protection	P.L. 21-18	This fund was created to account for civil penalties collected under the Deceptive Trade - Practices Consumer Protection Act.	\$ -	\$ -	\$ 135
12	262	Autonomous Agency Infrastructure Collections	P.L. 24-14	This fund was created to ensure the health and public safety of the people of Guam. Revenues are derived from the operating surpluses generated by autonomous agencies.	\$ -	\$ -	\$ 460
13	267	Dededo Buffer Strip Revolving	P.L. 24-59	This fund authorizes the Department of Land Management to enter into commercial leases, not exceeding ten (10) years, for the use of the Dededo and Yigo Municipal Planning Councils (two-thirds to Dededo and one-third to Yigo) for the upkeep and maintenance of sports and recreational facilities.	\$ 16,151	\$ -	\$ 154,917

Appendix 9:

Prior Audited Funds Recommended for Repeal —FY 2005 Financial Activity

					2005 (Unaudited)		
	Fund Number	Fund Name	Enabling Legislation	Description	Revenues	Expenditures	Remaining Fund Balance
14	268	Typhoon Paka Emergency Fund	P.L. 24-117	This fund was created to respond to the emergency needs of the people of Guam in the wake of the devastation of Supertyphoon Paka.	\$ -	\$ -	\$ -
15	271	1999 SPG Revolving Fund	P.L. 25-01	This fund was created for planning, conducting and hosting the 1999 South Pacific Games.	\$ -	\$ -	\$ 3,491
16	274	Komitea Para Tiyan	P.L. 24-59	This fund was created to collect proceeds from lease fees or rental of equipment and facilities within NAS. Money collected shall be used only for payment of utility expenses incurred by the common areas of Tiyan.	\$ -	\$ -	\$ -
17	278	Off-Island Travel	P.L. 25-98	This fund was created to pay for off-island travel expenses incurred within Executive Branch agencies, and who are directly supported by the General Fund. The fund does not support off-island travel expenses incurred by autonomous agencies.	\$ -	\$ -	\$ 20,560
18	280	Overtime Fund	P.L. 25-98	This fund was created to pay for overtime expenses incurred within the Executive Branch agencies and who are directly supported by the General Fund. The fund does not support overtime expenses incurred by the autonomous agencies.	\$ -	\$ -	\$ -
19	285	Rabies Prevention	P.L. 24-216	This fund was created to maintain, enhance, and secure the prevention of rabies on Guam. Revenues are derived from issuance of entry permits for any dog or cat imported into Guam.	\$ 46,475	\$ 8,314	\$ 138,951
20	287	Livestock	P.L. 25-186	This fund was created to administer the transfer/sale of livestock.	\$ -	\$ -	\$ 4,351
21	288	Rainy Day Fund	P.L. 22-24	This fund was created to eliminate or reduce any General Fund deficit existing at the end of a fiscal year resulting from an unexpected, substantial decline in revenues received or caused by a territorial emergency.	\$ -	\$ -	\$ -

Appendix 9:

Prior Audited Funds Recommended for Repeal —FY 2005 Financial Activity

					2005 (Unaudited)		
	Fund Number	Fund Name	Enabling Legislation	Description	Revenues	Expenditures	Remaining Fund Balance
22	305	CAHA, OET and CEF Fund	P.L. 22-60	This fund was created to provide off-island travel assistance to eligible organizations, schools and individuals participating in the performing arts and humanities competitions.	\$ 266	\$ -	\$ 266
23	322	Deficit Elimination Fund	P.L. 19-10	This fund was created to reduce the outstanding, unfunded liability of the General Fund to the Government of Guam Retirement Fund. All General Fund personnel appropriation lapses revert on a bi-weekly basis to the fund. All other General Fund appropriation lapses revert to the Fund on the last day of the fiscal year.	\$ -	\$ -	\$ -
24	328	District Improvement Fund	P.L. 20-183	This fund was created to fund improvement projects to include, but is not limited to capital improvement projects, services, and other beautification tasks. Revenues are derived from taxes collected from the Real Estate Property Taxes.	\$ -	\$ -	\$ -
25	351	Land Acquisition Fund	P.L. 9-170	This fund was created for the purpose of acquiring private land for public purposes. Initial capital in the amount of \$500,000 was appropriated. No cash was ever transferred.	\$ -	\$ -	\$ -
Prior Audited Funds Recommended for Repeal					\$ 114,248	\$ 15,082	\$ 625,050

Appendix 10:

Prior Audited Funds Recommended for Repeal —FY 2002, 2003, and 2004 Financial Activities

	Fund Number	Fund Name	2004		2003		2002	
			Revenues	Expenditures	Revenues	Expenditures	Revenues	Expenditures
1	204	Summer School Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2	211	Plant Nursery Revolving	\$ 15,830	\$ 28,802	\$ 16,839	\$ 1,903	\$ 15,361	\$ -
3	216	Individuals w/ Disabilities Disaster Recovery	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4	218	JROTC Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5	230	Vocational Rehabilitation Revolving Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
6	234	Guam Housing Corporation Revolving	\$ -	\$ -	\$ 13,707	\$ 13,650,014	\$ -	\$ -
7	236	Accessible Parking	\$ -	\$ -	\$ -	\$ -	\$ 1,060	\$ -
8	240	Aquaculture Development and Training Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,182
9	244	Guam Museum	\$ -	\$ 1,478	\$ -	\$ -	\$ 1,478	\$ -
10	246	Drivers' Education	\$ 32,189	\$ -	\$ 38,919	\$ -	\$ 40,866	\$ -
11	250	Consumer Protection	\$ -	\$ -	\$ 9	\$ -	\$ -	\$ -
12	262	Autonomous Agency Infrastructure Collections	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
13	267	Dededo Buffer Strip Revolving	\$ 8,591	\$ 640	\$ 17,181	\$ -	\$ -	\$ -
14	268	Typhoon Paka Emergency Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
15	271	1999 SPG Revolving Fund	\$ 267	\$ -	\$ 1,813	\$ -	\$ -	\$ -
16	274	Komitea Para Tiyan	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
17	278	Off-Island Travel	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
18	280	Overtime Fund	\$ -	\$ -	\$ -	\$ 6,843	\$ -	\$ -
19	285	Rabies Prevention	\$ 45,206	\$ 16,501	\$ 36,771	\$ 1,866	\$ -	\$ 5,055
20	287	Livestock	\$ 1,800	\$ 724	\$ 1,755	\$ -	\$ 1,510	\$ -
21	288	Rainy Day Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
22	305	CAHA, OET and CEF Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
23	322	Deficit Elimination Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
24	328	District Improvement Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
25	351	Land Acquisition Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Prior Audited Funds Recommended for Repeal			\$ 103,883	\$ 48,145	\$ 126,994	\$ 13,660,626	\$ 60,275	\$ 6,237

Appendix 11:

Funds with Minimal Activity Recommended for Repeal —FY 2005 Financial Activity

					2005 (Unaudited)		
	Fund Number	Fund Name	Enabling Legislation	Description	Revenues	Expenditures	Remaining Fund Balance
1	203	Wildlife Conservation	P.L. 26-107	This fund was created to preserve, manage, enhance, and protect the Government’s wildlife resources and their environment. Revenues are derived principally from the sale of hunting, fishing and harvesting licenses, fees and permits.	\$ 33,860	\$ 12,375	\$ 226,665
2	217	Safe Streets	P.L. 22-41	This fund was created to account for all fines collected from the Safe Streets Act. Expenditures from this fund are appropriated to the Department of Corrections to compensate staff and provide supplies or facilities to house incarcerated persons convicted of misdemeanors and persons convicted of unlawful acts. In the FY 2007 proposed budget, the Safe Streets Fund is to be appropriated \$196,000. Given the past history of this fund, it may be overly optimistic since revenues have been minimal.	\$ -	\$ -	\$ 303,838
3	229	General Services Agency	E.O. 86-24	This fund was created for the purchase of materials and other equipment necessary to support the procurement process. Revenue for this fund is provided by photocopying charges for bid documents and liquidated damages assessed vendors.	\$ 63	\$ 3,714	\$ 927
4	238	Program Development	P.L. 18-20	This fund was created in order to issue a Mortgage Revenue Bond. The issuance of the bond is under the responsibility of GEDCA. The proceeds are used to make loans to multi-family housing developers.	\$ 1,433	\$ -	\$ (4,320)
5	272	Controlled Substance Diversion	P.L. 24-129	This fund was created for the use by the Department of Public Health for programs to monitor controlled substances, to identify and detect its diversion, equipment, supplies and contracts necessary to monitor controlled substances. Revenues for this fund are from fees assessed for the registration and control of the manufacture, distribution and dispensing of controlled substances in Guam.	\$ 20,760	\$ 1,800	\$ 114,839
6	298	Human Resources Services Revolving	E.O. 02-01	This fund was created for administrative costs and supplies and equipment costs associated within the areas of classification and pay, recruitment, records, employee benefits, test development, employee management relations, training and development.	\$ 87,597	\$ 23,944	\$ 82,187

Appendix 11:

Funds with Minimal Activity Recommended for Repeal —FY 2005 Financial Activity

					2005 (Unaudited)		
	Fund Number	Fund Name	Enabling Legislation	Description	Revenues	Expenditures	Remaining Fund Balance
7	309	Agana Fractional Lots Program	Unable to locate	This fund was established to account for transactions relevant to the Agana Fractional Lots Program dating back to the 1960's.	\$ -	\$ -	\$ 217,180
8	314	State Agency for Surplus Property	Unable to locate	This fund was created for the disposal of salvage and surplus personal property from Government of Guam agencies and departments.	\$ 3,036	\$ 52,952	\$ 1,126,763
9	608	Guam Plant Inspection and Permit	P.L. 27-29	This fund was created for the administration, operation, maintenance and improvement of the Plant Inspection Station of the Department of Agriculture. Revenues come from permit fees for the importation and exportation of any regulated flora, fauna, or by-products. In the FY 2007 proposed budget, the Guam Plant Inspection Permit Fund is to be appropriated \$44,507. Given the past history of this fund, it may be overly optimistic for this fund since revenues have been minimal.	\$ 44,221	\$ 13,533	\$ 79,988
Funds with Minimal Activity Recommended for Repeal					\$ 190,970	\$ 108,318	\$ 2,148,067

Appendix 12:

Funds with Minimal Activity Recommended for Repeal —FY 2002, 2003, and 2004 Financial Activities

	Fund Number	Fund Name	2004		2003		2002	
			Revenues	Expenditures	Revenues	Expenditures	Revenues	Expenditures
1	203	Wildlife Conservation	\$ 37,626	\$ 9,538	\$ 35,276	\$ 6,302	\$ 38,218	\$ 64,934
2	217	Safe Streets	\$ -	\$ 1,500	\$ -	\$ 21,024	\$ 16,000	\$ 15,188
3	229	General Services Agency	\$ -	\$ 12,346	\$ -	\$ 966	\$ 340	\$ -
4	238	Program Development	\$ 247	\$ 6,000	\$ 443	\$ 3,000	\$ 1,016	\$ -
5	272	Controlled Substance Diversion	\$ 101,925	\$ 6,046	\$ -	\$ -	\$ -	\$ -
6	298	Human Resources Services Revolving	\$ 27,634	\$ 100,551	\$ 41,349	\$ 25,335	\$ 97,440	\$ 22,004
7	309	Agana Fractional Lots Program	\$ -	\$ 339,640	\$ -	\$ -	\$ -	\$ -
8	314	State Agency for Surplus Property	\$ 4,277	\$ 121,074	\$ 927	\$ -	\$ 6,914	\$ -
9	608	Guam Plant Inspection and Permit	\$ 49,300	\$ -	\$ -	\$ -	\$ -	\$ -
Funds with Minimal Activity Recommended for Repeal			\$ 221,009	\$ 596,695	\$ 77,995	\$ 56,627	\$ 159,928	\$ 102,126

Funds Recommended for Consolidation via Legislation —FY 2005 Financial Activity

Chamorro Land Trust Commission (CLTC)					2005 (Unaudited)		
Fund Number	Fund Name	Enabling Legislation	Description	Revenues	Expenditures	Remaining Fund Balance	
1	410	Chamorro Home Loan Fund	P.L. 12-226	This fund was created within the CLTC to account for funds transferred from the General Fund to extend loan benefits to native Chamorros.	\$ -	\$ -	\$ -
2	411	Chamorro Commercial Loan	P.L. 21-148	This fund was created to provide loans to CLTC lessees or by organizations formed and controlled by lessees for the development of mercantile establishments.	\$738,708	\$ -	\$287,326
3	412	Chamorro Home Repair Fund	P.L. 12-226	This fund was created within the CLTC to account for funds transferred from the General Fund for loans not in excess of Five Thousand Dollars (\$5,000) to lessees for repairs to their existing homes.	\$ -	\$ -	\$ -
4	413	Chamorro Home Development Fund	P.L. 12-226	This fund was created within the CLTC to account for funds transferred from the Chamorro Home Loan Fund to be made available for the construction of sanitary sewage facilities, construction of roads through and over Chamorro homelands, and for other non-revenue producing improvements.	\$ -	\$ -	\$ -
5	414	Chamorro Education Assistance Fund	P.L. 12-226	This fund was created within the CLTC to be expended on educational projects which shall be primarily for the educational improvement of the children of lessees.	\$ -	\$ -	\$ -
6	415	Chamorro Loan Guarantee Fund	P.L. 12-226	This fund was created within the CLTC for loan guarantees granted by governmental agencies or lending institutions to those holding leases or licenses issued under Section 75107 of the CLTC Act.	\$ -	\$ -	\$ -
Chamorro Land Trust Commission					\$738,708	\$ -	\$ 287,326

The recommendation is to consolidate these six funds into one fund, perhaps entitled the Chamorro Land Trust Commission Fund.

Funds Recommended for Consolidation via Legislation—FY 2005 Financial Activity

Guam Environmental Protection Agency (GEPA)					2005 (Unaudited)		
	Fund Number	Fund Name	Enabling Legislation	Description	Revenues	Expenditures	Remaining Fund Balance
1	245	Guam Environmental Trust	P.L. 21-10	This fund was created to clean up hazardous materials and to restore and repair damage to the environment. Revenues are generated through collection of a 2% assessment fee on all commercial and industrial liability insurance premiums which will be collected.	\$ 295,270	\$ 457,490	\$ 415,084
2	265	Air Pollution Control	P.L. 24-40	This fund was created to provide a coordinated Territory-wide program of air pollution prevention, abatement, and control. Revenues are derived primarily from permit application fees and annual emission fees.	\$199,422	\$ 525,589	\$ 325,482
3	283	Water Protection	P.L. 22-47	This fund was created for the administration and implementation and enforcement of the Water Pollution Control Act, for educational programs and grants for research and development....	\$ 68,218	\$ 67,041	\$ 150,752
4	284	Solid Waste Management Plan	P.L. 25-175	This fund was created to be administered by the Guam Environmental Protection Agency to deal with solid waste management.	\$ 25,695	\$ 15,255	\$ 68,516
5	300	Water Research and Development	P.L. 22-47	This fund was created to conduct water resource research which will contribute to the effective planning and management of Guam's underground and surface water, and to the development of programs which promote the best use of these resources.	\$ 63,825	\$ 277,364	\$ 152,873
6	619	Recycling Revolving Fund	P.L. 27-38	This fund was created to allow the Department of Public Works to enter into contracts with recycling companies for the collection, recycling, and disposal of automobiles, buses, heavy equipment, trucks, batteries, tires, white goods, and other recyclable materials. Revenues are gained through a recycling fee upon the importation for resale of all recyclable materials.	\$ -	\$ -	\$ -
Guam Environmental Protection Agency					\$ 652,430	\$1,342,739	\$1,112,707

The recommendation is to consolidate these six funds into one fund, perhaps entitled Guam Environmental Protection Agency Fund.

Appendix 13:

Funds Recommended for Consolidation via Legislation—FY 2005 Financial Activity

Medically Indigent Program Payment Revolving					2005 (Unaudited)		
Fund Number	Fund Name	Enabling Legislation	Description	Revenues	Expenditures	Remaining Fund Balance	
1	292	Medicaid and Medically Indigent Program Assistance Payment Fund	P.L. 26-58	This fund was created for the purpose of covering any program shortfall in the Medically Indigent Program and Public Assistance Program.	\$ -	\$ -	\$ -
2	293	Medically Indigent Program Payment Revolving	P.L. 25-164	This fund was created to be used for the payment of any authorized Medically Indigent Program obligation, regardless of when the obligation was incurred.	\$ -	\$10,569,049	(\$436,049)
Medically Indigent Program Payment Revolving					\$ -	\$ 10,569,049	\$ (436,049)

The recommendation is to consolidate these two funds into one fund, perhaps the Medically Indigent Program Payment Revolving.

Appendix 14:

Funds Recommended for Consolidation via Legislation —FY 2002, 2003, and 2004 Financial Activities

Chamorro Land Trust Commission			2004		2003		2002	
Fund Number	Fund Name	Revenues	Expenditures	Revenues	Expenditures	Revenues	Expenditures	
1	410	Chamorro Home Loan Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2	411	Chamorro Commercial Loan	\$ 16,308	\$ 451,131	\$ 16,644	\$ 344,330	\$ 44,555	\$ 273,748
3	412	Chamorro Home Repair Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4	413	Chamorro Home Development Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5	414	Chamorro Education Assistance Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
6	415	Chamorro Loan Guarantee Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Chamorro Land Trust Commission Funds			\$ 16,308	\$ 451,131	\$ 16,644	\$ 344,330	\$ 44,555	\$ 273,748

Guam Environmental Protection Agency			2004		2003		2002	
Fund Number	Fund Name	Revenues	Expenditures	Revenues	Expenditures	Revenues	Expenditures	
1	245	Guam Environmental Trust	\$ 138,689	\$ 6,038	\$ 168,660	\$ 600	\$ 175,622	\$ 450,000
2	265	Air Pollution Control	\$ 249,994	\$ 60,632	\$ 177,473	\$ 5,828	\$ 208,560	\$ -
3	283	Water Protection	\$ 42,169	\$ 52,188	\$ 40,114	\$ -	\$ 35,809	\$ -
4	284	Solid Waste Management Plan	\$ 24,015	\$ 53,685	\$ 87,745	\$ -	\$ -	\$ -
5	300	Water Research and Development	\$ 113,675	\$ 119,326	\$ 14,035	\$ -	\$ 38,800	\$ -
6	619	Recycling Revolving Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Guam Environmental Protection Agency Funds			\$ 568,542	\$ 291,869	\$ 488,027	\$ 6,428	\$ 458,791	\$ 450,000

Medically Indigent Program Payment Revolving			2004		2003		2002	
Fund Number	Fund Name	Revenues	Expenditures	Revenues	Expenditures	Revenues	Expenditures	
1	292	Medicaid and Medically Indigent Program Assistance Payment Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$5,493,662
2	293	Medically Indigent Program Payment Revolving	\$ -	\$19,312,987	\$ -	\$16,418,062	\$ -	\$24,171,252
Medically Indigent Program Payment Revolving			\$ -	\$19,312,987	\$ -	\$16,418,062	\$ -	\$ 29,664,914

Appendix 15:

Funds Recommended for Structural Amendment via Legislation —FY 2005 Financial Activity

	Fund Number	Fund Name	Enabling Legislation	Description	2005 (Unaudited)		
					Revenues	Expenditures	Remaining Fund Balance
1	297	University of Guam Capital Improvements	P.L. 26-48	This fund was created for the design, construction and collateral equipment of the College of Business and Public Administration, and for the replacement of the roof of the Fine Arts Building. Beginning in FY 2002, this fund is annually appropriated \$500,000 to pay for debt service.	\$ -	\$ -	\$(500,000)
2	501	Typhoon Chataan & Halong	P.L. 26-116	This fund was created to account for appropriations made by the Legislature to cover the emergency recovery needs of Guam resulting from Typhoons Chataan and Halong.	\$ -	\$ 146,411	\$(150,184)
Funds Recommended for Structural Amendment					\$ -	\$ 146,411	\$(650,184)

The recommendations are to remove DOA as the pass through entity for the \$500,000 that goes to the University of Guam Capital Improvements Fund and then to the University of Guam and to include a sunset provision for the Typhoon Chataan & Halong Fund to close it when it has met its purpose.

Appendix 16:

Funds Required for Closure by DOA Based on Legislative Repeal—FY 2005 Financial Activity

					2005 (Unaudited)		
	Fund Number	Fund Name	Enabling Legislation	Description	Revenues	Expenditures	Remaining Fund Balance
1	227	CZM	Unable to locate	Enabling legislation for the CZM fund was not located during our research. There was another fund, the Coastal Zone Management Fund that was set up by E.O. 2002-08 for the Eighteenth Annual Pacific Island Coastal Zone Management Conference. That fund has another fund number that is already closed in the AS400 System. According to DOA, the CZM Fund may have been set up to meet a federal requirement. This fund has not had any revenue or expenditure activity between fiscal years 2002 through 2005 and has no remaining fund balance.	\$ -	\$ -	\$ -
2	XX	Tiyan Trust Fund	Repealed by P.L. 26-100	This fund was created to set aside all net income derived from Tiyan into a trust fund to be administered for the benefit of the original owners of the Tiyan property.	Not available	Not available	Not available
3	403	PUAG/Water Fund	Repealed by P.L. 14-67	This fund had a sunset provision in P.L. 14-67 stating "The Public Utility Agency Waste Water Fund shall expire as of June 30, 1985, after which time no further advances or grants shall be made. In addition, balances within the Fund at the date shall be returned to the Unappropriated Surplus of the General Fund.	\$ -	\$ -	\$ 36,966
4	207	Veterans' Bonus	Repealed by P.L. 20-196	This fund was established in 1975 and repealed in 1990 by P.L. 20-196. Upon repeal, the fund balance and its earmarked revenue source – the pari-mutuel tax – was transferred to the University of Guam (UOG) in lieu of the tuition and fee increases. P.L. 25-176, again transferred the pari-mutuel tax and the remaining fund balance at UOG to the General Fund.	\$ 645,485	\$ -	\$ 644,423
5	401	PUAG	Repealed by P.L. 23-119	This fund was repealed by P.L. 23-119 stating that 5 GCA §56101 through §56118, are hereby repealed.	\$ -	\$ -	\$ 948,460

Appendix 16:

Funds Required for Closure by DOA Based on Legislative Repeal—FY 2005 Financial Activity

					2005 (Unaudited)		
Fund Number	Fund Name	Enabling Legislation	Description		Revenues	Expenditures	Remaining Fund Balance
6	304	Ocean Freight Legal Fund	Repealed by P.L. 23-128	These funds were repealed in 1996 by P.L. 23-128 stating, "any and all remaining balances are reverted to the General Fund. All revenue previously earmarked into this fund shall continue to be collected and credited to the General Fund."	\$ -	\$ -	\$ -
7	318	Instructional Personnel	Repealed by P.L. 23-128		\$ -	\$ -	\$ -
8	323	Retro Pay Fund	Repealed by P.L. 23-128		\$ -	\$ -	\$ -
9	324	Hazardous Subs Exp	Repealed by P.L. 23-128		\$ -	\$ -	\$ -
10	356	PCB Recovery Fund	Repealed by P.L. 23-128		\$ -	\$ -	\$ -
11	406	Group Life Insurance	Repealed by P.L. 23-128		\$ 554	\$ -	\$ 999
12	279	Personnel Reserve Fund	Repealed by P.L.25-98	This fund was repealed by P.L. 25-98 stating "Section 3 of Chapter II of P.L. Number 25-72 is hereby repealed, and all funds therein are transferred to the General Fund. Any reference in other Sections of P.L. Numbers 25-72, 25-74 or 25-91, shall be understood as referring to the General Fund rather than the Personnel Reserve Fund."	\$ -	\$ -	\$ -
Funds Required for Closure Based on Repeal					\$ 646,039	\$ -	\$ 1,630,848



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DIRECTOR'S OFFICE

February 16, 2006

Ms. Lourdes M. Perez
Director
Department of Administration
P.O. Box 884
Hagåtña, Guam 96932

Dear Ms. Perez:

Although we are still conducting our audit on the Dormant or Inactive Funds within the Government of Guam, we would like to bring to your attention the repeal of fourteen special revenue funds that are still opened in the AS400 Financial Management System. We recommend these funds be closed in the AS400. The funds include:

1. Veteran's Bonus Fund (Fund 207)
2. Ocean Freight Legal Fund (Fund 304)
3. Instructional Personnel (Fund 318)
4. PCB Recovery Fund (Fund 356)
5. Retro Pay Fund (Fund 323)
6. Hazardous Substances Exp Fund (Fund 324)
7. Group Life Insurance (Fund 406)
8. Printing Revolving Fund (Fund 221)
9. DPW Building and Design Fund (Fund 235)
10. Housing Revolving Fund (Fund 201)
11. Personnel Reserve Fund (Fund 279)
12. Plant Protection and Quarantine Revolving Fund (Fund 504)
13. Safe Homes, Safe Streets Fund (Fund 601)
14. Southern Community Health Center (No fund number)

Veteran's Bonus Fund

The Veteran's Bonus Fund was created by Public Law 13-77 and ultimately repealed by Public Law 20-196, yet it is still opened in the AS400 system. During FY 2002, this fund had \$288,138 in revenues and \$226,351 in expenditures. The expenditures of this fund, although repealed, were authorized by Public Law 26-35. There were no revenues and expenditures for FY 2003 and 2004. Based on unaudited figures for FY 2005, this fund received \$645,485 in revenues and has a \$644,423 ending fund balance.

Ocean Freight Legal Fund, Instructional Personnel, PCB Recovery Fund, Retro Pay Fund, Hazardous Substances Exp Fund, and Group Life Insurance

The Ocean Freight Legal Fund (created by P.L. 22-221), Instructional Personnel (P.L. 18-33), PCB Recovery Fund (P.L. 20-32), Retro Pay Fund (P.L.20-65), Hazardous Substances Exp Fund (P.L. 20-110), and Group Life Insurance (P.L. 18-33) were all repealed by Public Law 23-128, yet are still opened in the AS400 system. The Group Life Insurance had \$2,142 in revenues between FY 2002 through 2005. The other five funds did not have any activity for fiscal years 2002, 2003, 2004, and 2005. We have further conducted research to identify if these funds were re-enacted subsequent to their repeal, yet were unable to locate any. We recommend these funds be closed in the AS400 and their revenues directed to the General Fund. Based on unaudited figures for FY 2005, the Group Life Insurance Fund was the only fund with a remaining fund balance, \$999.

Printing Revolving Fund

This fund was repealed by P.L. 27-77 and replaced with a Compiler of Laws Fund stating "all funds in the custody of the Compiler of Laws or under his control, including all appropriations made to or allocated to the office, regardless of what fund, except for the personnel costs of the incumbent Compiler of Laws, shall be transferred to the Supreme Court of Guam." Thus, any revenue in the Printing Revolving Fund must be transferred to the Compiler of Laws Fund administered by the Judiciary of Guam.

DPW Building and Design Fund and Housing Revolving Fund

The DPW Building and Design Fund (P.L. 22-110) and the Housing Revolving Fund (P.L. 10-103) were repealed by Public Law 28-68 and transferred to the Unreserved Fund Balance Fund. With their repeal and subsequent transfer, we recommend these funds be closed in the AS400 and their revenues directed to the Unreserved Fund Balance Fund.

Personnel Reserve Fund

The Personnel Reserve Fund (P.L. 25-72) was repealed by Public Law 25-98 stating, "Section 3 of Chapter II of Public Law 25-72 is hereby repealed, and all funds therein are transferred to the General Fund. Any reference in other Sections of Public Law Numbers 25-72, 25-74, or 25-91, shall be understood as referring to the General Fund rather than the Personnel Reserve Fund."

Plant Protection and Quarantine Revolving Fund

The Plant Protection and Quarantine Revolving Fund was transferred to the Guam Plant Inspection and Permit by Public Law 28-52 which provides: "All sums remaining in the Department of Agriculture's Plant Protection and Quarantine Revolving Fund shall be transferred to the Department of Agriculture's Guam Plant Inspection and Permit Fund."

Safe Homes, Safe Streets Fund

The Safe Homes, Safe Streets was transferred to the Healthy Futures Fund by Public Law 28-68 stating "All funds, balances and unreserved fund balances of the "Safe Homes, Safe Streets Fund" shall be transferred to the "Healthy Futures Fund." Any past

appropriation, outstanding obligation or encumbrances remaining with the "Safe Homes, Safe Streets Fund" shall be assumed and satisfied by the "Healthy Futures Fund."

Southern Community Health Center

The Southern Community Health Center was created by Executive Order 86-05 and later repealed by Public Law 24-248 when the Community Health Centers Fund was created.

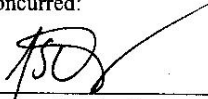
These special revenue funds will be mentioned in further detail in our audit report. We are informing you of these issues because they require immediate action. Should you have any questions, please contact Zeny Nace at 475-0390 ext. 211 for assistance.

Senseramente,



Doris Flores Brooks, CPA, CGFM
Public Auditor

Concurred:



Andrew Sergio Quenga, Compiler of Laws

Appendix 18:

Repealed Funds that were Transferred to Another Fund that Require Closure by DOA—FY 2005 Financial Activity

	Fund Number	Fund Name	Enabling Legislation	Description	2005 (Unaudited)		
					Revenues	Expenditures	Remaining Fund Balance
1	201	Housing Revolving	Repealed by P.L.28-68	This fund was repealed in 2005 by P.L. 28-68 stating, Section 12104 of Chapter 12 of Title 4 of the GCA is hereby <i>repealed</i> . This fund was transferred to the Unreserved Fund Balance Fund.	\$ 65,893	\$ 8,947	\$1,100,413
2	221	Printing Revolving	Repealed by P.L. 27-77	The Printing Revolving Fund was created by P.L. 14-93 and repealed and replaced with the Compiler of Laws Fund by P.L. 27-77. All sums in the Printing Revolving Fund shall be transferred to the Compiler of Laws Fund.	\$ -	\$ -	\$ 11,682
3	235	DPW Building and Design	Repealed by P.L. 28-68	This fund was repealed in 2005 by P.L. 28-68 stating, Section 66409(c) of Chapter 66 of Title 21 of the GCA is <i>repealed</i> . This fund was transferred to the Unreserved Fund Balance Fund.	\$ 437,085	\$ -	\$1,586,421
4	504	Plant Protection and Quarantine Revolving	Repealed by P.L. 28-52	This fund was transferred to the Guam Plant Inspection and Permit Fund by P.L. 28-52. All sums remaining in the Plant Protection and Quarantine Revolving Fund shall be transferred to the Guam Plant Inspection and Permit Fund.	\$ -	\$ 2,055	\$ (5,443)
5	601	Safe Homes, Safe Streets	Repealed by P.L. 28-68	This fund was transferred to the Healthy Futures Fund by P.L. 28-68 stating “All funds, balances and unreserved fund balances of the “ <i>Safe Homes, Safe Streets Fund</i> ” shall be transferred to the “Healthy Futures Fund.”	\$1,139,848	\$ 794,070	\$1,359,577
6	XX	Southern Community Health Center	Repealed by P.L. 24-248	This fund was created by Executive Order 86-05 and later repealed by P.L. 24-248 when the Community Health Centers Fund was created.	No transactions	No transactions	No transactions
Funds Required for Closure Based on Repeal					\$1,642,826	\$ 805,072	\$4,052,650

Appendix 19:

Funds Required by Statute to Be Consolidated by DOA—FY 2005 Financial Activity

	Fund Number	Fund Name	Enabling Legislation	Description	2005 (Unaudited)		
					Revenues	Expenditures	Remaining Fund Balance
1	102	GMTA	Repealed by P.L. 26-76	P.L. 26-76 transferred “All revenue generated by DOA resulting from the operation of Guam’s mass transit system, including fares and fees collected from riders,” to the Public Transit Fund.	\$ -	\$ -	\$ -
2	402	Guam Mass Transit Authority	Repealed by P.L. 26-76		\$ -	\$ -	\$ -
3	317	Public Transit	P.L. 26-76	This fund was created to receive all revenue generated by DOA resulting from the operation of Guam’s mass transit system, including fares and fees collected from riders. The funds shall be used by DOA for the operations of the mass transit system.	\$ 98,633	\$ -	\$ 585,509
Public Transit Fund					\$ 98,633	\$ -	\$ 585,509

The recommendation is to consolidate GMTA and Guam Mass Transit Authority with the Public Transit Fund, then close those two funds.

Funds Required by Statute to Be Consolidated by DOA—FY 2005 Financial Activity

	Fund Number	Fund Name	Enabling Legislation	Description	2005 (Unaudited)		
					Revenues	Expenditures	Remaining Fund Balance
1	212	Parks and Recreation Revolving	Repealed by P.L. 27-106	The establishment of the Public Recreation Services Fund replaced all funds previously identified in Chapter 77 of Title 21, Guam Code Annotated, including the Parks Fund, Parks and Recreation Revolving Fund, and the Recreation Revolving Fund, with said funds to be closed immediately.	\$ -	\$ -	\$ (163,265)
2	225	Recreation Revolving Fund	Repealed by P.L. 27-106		\$ -	\$ 1,197	\$ 243,192
3	620	Public Recreation Services Fund	P.L. 27-106		\$130,604	\$ 53,879	\$ 76,725
Public Recreation Services Fund					\$130,604	\$ 55,076	\$ 156,652

The recommendation is to consolidate the Parks and Recreation Revolving Fund and the Recreation Revolving Fund with the Public Recreation Services Fund, then close those two funds.

	Fund Number	Fund Name	Enabling Legislation	Description	2005 (Unaudited)		
					Revenues	Expenditures	Remaining Fund Balance
1	222	Land Survey Revolving	P.L. 14-136	This fund was created to administer the surveying, mapping, and registration of all government-owned properties. Revenues are derived from documentary fees.	\$ 853,133	\$ 90,180	\$ 1,769,575
2	302	Land Survey Fund	21 GCA Section 60602	According to DOA, the Land Survey Fund and the Land Survey Revolving Fund are two different funds with two different enabling acts. According to our research, the two enabling acts provided to us by DOA indicate the Land Survey Revolving Fund (P.L. 14-136) and the Land Survey Fund (21 GCA Section 60602) are actually the same citation of this fund.	\$ -	\$ -	\$ (359,990)
Land Survey Revolving Fund					\$ 853,133	\$ 90,180	\$ 1,409,585

The recommendation is to consolidate the Land Survey Fund with the Land Survey Revolving Fund, then close the Land Survey Fund.

Appendix 20:
Funds No Longer Required—FY 2005 Financial Activity

	Fund Number	Fund Name	Enabling Legislation	Description	2005 (Unaudited)		
					Revenues	Expenditures	Remaining Fund Balance
1	106	D.O.D. Contract	Unable to locate	This fund was created by the DOA to account for funds from the United States Department of Defense to the Department of Education to provide for fixed tuition payment per eligible D.O.D. student enrolled in the Guam D.O.E. system.	\$ -	\$ -	\$ 7
2	228	G.O. Bond '86 Fund - DSF	Unable to locate	The Series 1989 Water System Revenue Bonds supplement the Series 1986 General Obligation Bonds and are collateralized by the revenues on a parity with the Series 1986 Bonds and Water System Revenues. According to DOA, this bond has been completed and is no longer in use. We recommend DOA close this fund in the AS400 System.	\$ -	\$ -	\$ -
3	277	Firefighter Equipment Replacement	P.L. 25-03	This fund was created to serve as a receiving account for all funds, whether local, Federal or donated provided for the purposes of replacing and repairing essential fire fighting equipment for the Guam Fire Department. This fund was initially appropriated \$600,000 for replenishing essential fire fighting equipment. This fund also has a sunset provision that requires it to be repealed after all the amounts appropriated are exhausted.	\$ -	\$ 285,157	(\$27,539)
4	308	Law Enforcement Grant Trust Fund	Unable to locate	Enabling legislation for the Law Enforcement Grant Trust Fund was not located during our research. According to DOA, this fund was a type of federal grant that is making its expenditures out of the Federal Grants Fund. There has been no activity in this fund between fiscal years 2002 through 2005. We recommend DOA close this fund in the AS400 System.	\$ -	\$ -	\$ -
5	353	General Long Term Debt Acct	Unable to locate	The General Long Term Debt Account Group is maintained to account for general long-term debt outstanding, accrued unfunded retirement benefits and accrued annual and compensatory leave.	\$ -	\$ -	\$ -
6	358	DSF - 94 G.O. Bond	Unable to locate	This fund is used to account for funds required by the General Obligation Bond Series A 1994 bond indenture to redeem bond principal and to pay bond interest. According to DOA, this fund has been completed.	\$ -	\$ -	\$ 2,070,182
7	390	General Fixed Assets Acct Grp	Unable to locate	The General Fixed Assets Account Group is designed to account for all fixed assets acquired or constructed for use by the Government.	\$ -	\$ -	\$ -
Funds No Longer Required					\$ -	\$ 285,157	\$ 2,042,650

Appendix 21:

Funds that Met the \$500,000 Threshold—FY 2005 Financial Activity

					2005 (Unaudited)		
	Fund Number	Fund Name	Enabling Legislation	Description	Revenues	Expenditures	Remaining Fund Balance
1	100	General Fund	Unable to locate	This fund is the primary operating fund of the Government of Guam. It is used to account for all governmental transactions, except those required to be accounted for in another fund.	\$ 432,998,402	\$ 461,856,393	\$ (345,286,310)
2	101	Federal Grant Fund	Unable to locate	This fund accounts for all activities of federal grant and contracts.	\$ 122,175,913	\$ 75,225,321	\$ 29,731,338
3	105	Community Health Centers	P.L. 24-248	This fund was created for the Southern Community Health Center. Revenues are derived from fees charged to health service recipients utilizing the Center.	\$ 907,358	\$ 813,316	\$ 748,521
4	202	Abandoned Vehicle and Streetlight	P.L. 14-49	This fund is maintained to defray the cost of street lights and to fund the removal of abandoned vehicles. Funding of these programs is provided from a five dollar annual vehicle registration fee and local appropriations.	\$ 3,719,852	\$ 2,857,627	\$ (519,911)
5	205	Territorial Educational Facilities	P.L. 22-19	This fund was created to account for all real property tax revenues received by the Government of Guam. These revenues are used for the debts service payments of the General Obligation Bonds, 1993 and 1995 Series A.	\$ 19,930,739	\$ 19,787,424	\$ 261,113
6	206	Tourist Attraction	P.L. 10-66	This fund was created to finance the improvement of the physical facilities of Guam's parks and recreation areas. Financing is provided by the imposition of an 11 percent tax on lodging provided to transients.	\$ 18,946,826	\$ 29,204,121	\$ (22,201,215)
7	208	Territorial Highway	P.L. 11-82	This fund was created for obtaining proper maintenance and construction of highways and for the implementation of Highway Safety plans, programs and projects. Revenues are derived from Federal grants, certain liquid fuels taxes, vehicle registration fees and local appropriations.	\$ 11,179,677	\$ 18,804,746	\$ (19,144,181)

Appendix 21:
Funds that Met the \$500,000 Threshold—FY 2005 Financial Activity

					2005 (Unaudited)		
Fund Number	Fund Name	Enabling Legislation	Description	Revenues	Expenditures	Remaining Fund Balance	
8	209	Customs, Agriculture and Quarantine Inspection Services	P.L. 23-45	This fund requires that each aircraft landing at the Guam International Airport Terminal shall be levied a service charge to provide for the maintenance and operations of the service charge facilities.	\$ 8,629,876	\$ 562,909	\$ 8,235,217
9	214	DOC Inmates Revolving	E.O. 94-17	This fund was created to receive funds collected from housing US prisoners and detainees, meals charged to DOC employees, and the sale of wet garbage to private persons.	\$ 1,649,215	\$ 1,597,490	\$ 687,676
10	226	L.O. Infra Improv 2001-DSF	Unable to locate	This fund is used to account for funds required by the Limited Obligation Infrastructure Improvement bond indenture.	\$ 11,890,558	\$ 6,038,728	\$ 10,047,659
11	247	Village Streets	P.L. 23-128	This fund was created to pay vendors for village road planning, design, construction, reconstruction, improvement, repair and maintenance services...including secondary and tertiary roads.	\$ 736	\$ 466,112	\$ (364,254)
12	251	Infrast Imprvmt Bond '89 – CPF	Unable to locate	This fund is used to account for the construction of capital improvement projects from Limited Obligation Infrastructure Improvement bond proceeds.	\$ 253,784	\$ 3,544,798	\$ 9,726,337
13	252	Water System Rev Bond 89 – CPF	Unable to locate	This fund is used for the repayment of certain debt, including the 1989 Water System Revenue Bonds, the debt of the Guam Memorial Hospital Authority.	\$ 170,069	\$ 638,036	\$ 247,660
14	253	G.O. Bond 1993 Series A – CPF	Unable to locate	This fund is used for the construction of new or renovated educational facilities from the General Obligation Bond Series A 1993 bond proceeds.	\$ 101,440	\$ 212,057	\$ 168,364

Appendix 21:
Funds that Met the \$500,000 Threshold—FY 2005 Financial Activity

					2005 (Unaudited)		
Fund Number	Fund Name	Enabling Legislation	Description	Revenues	Expenditures	Remaining Fund Balance	
15	266	Board of Accountancy	P.L. 25-138	This fund was created for regulating aspects of the practice of public accountancy. Sources of revenues are from the issuance of certificates and permit fees collected from public accountants and firms practicing public accountancy.	\$ 534,431	\$ 56,041	\$ 1,435,992
16	281	Enhanced 911 Emergency Reporting System	P.L. 25-55	This fund was created to provide a source of funding for cost associated with the "911" Emergency Reporting System by charging a monthly surcharge known as the "911 Surcharge" paid by Local Exchange Telephone and Commercial Mobil Radio Service subscribers.	\$ 930,212	\$ 229,793	\$ 2,316,575
17	310	Workman's Compensation	P.L. 1-88	This fund was created to secure compensation payments under Title XXXIII of GCA in respect to employees of the Government of Guam.	\$ 463,758	\$ -	\$ 1,463,758
18	311	Health and Security Trust	P.L. 24-174	This fund was created to account for 50% of proceeds from the sale and securitization of the allocation under the Master Settlement Agreement for settlements tobacco agreement.	\$ 127,909	\$ -	\$ 6,196,685
19	326	Guam Preservation Trust	P.L. 20-151	This fund was created as a non-profit public corporation for the purpose of the preservation of the island's many historical and cultural locations. Revenues are derived from building permit fees assessed to contractors before the issuance of any type of building permit.	\$ 665,687	\$ 1,825,985	\$ 1,799,717
20	329	Off-Island Treatment	P.L. 20-220	This fund was created to be administered by the DOA to be able to send a person under the jurisdiction of the court off-island for residential care arising from a physical, mental or emotional handicap or a severe emotional disturbance.	\$ -	\$ -	\$ 1,350
21	354	DSF - 89 Infras Imprvmt Bond	Unable to locate	This fund is used to account for funds required by the Limited Obligation Infrastructure Improvement bond indenture.	\$ 18,989,534	\$ 7,296,258	\$ 22,342,799

Appendix 21:

Funds that Met the \$500,000 Threshold—FY 2005 Financial Activity

					2005 (Unaudited)		
Fund Number	Fund Name	Enabling Legislation	Description	Revenues	Expenditures	Remaining Fund Balance	
22	355	DSF-89 Water Sys Rev Bond	Unable to locate	This fund is used to account for funds required by the Limited Obligation (Section 30) Bond Series A 2001 bond indenture.	\$ 11,254,095	\$ 11,126,124	\$ 11,104,704
23	357	DSF - 93 G.O. Bond	Unable to locate	This fund is used to account for funds required by the General Obligation Bond Series A 1993 bond indenture.	\$ 12,679,826	\$ 12,649,415	\$ 2,847,675
24	359	DSF - 95 G.O. Bond	Unable to locate	This fund is used to account for funds required by the General Obligation Bond Series A 1995 bond indenture.	\$ 18,009,813	\$ 18,004,378	\$ 13,937,324
25	360	VSC/ERI Program	Unable to Locate	This fund is used to account for funds required by the loan agreement to finance the Voluntary Separation with Compensation Early Retirement Incentive program.	\$ -	\$ -	\$ -
26	404	GSA Inventory Revolving	P.L. 16-124	This fund was created for the purchase and replenishment of items to be carried in the supplies inventory maintained in the warehouse operated by GSA.	\$ 486,484	\$ -	\$ 3,872,822
27	416	Solid Waste Operations Fund	P.L. 24-272	This fund was created to provide a financing source for the Government of Guam's costs and expenses directly related to the closure and post-closure of the solid waste landfill.	\$ 5,459,786	\$ 5,161,340	\$ (1,112,580)
28	600	Environmental Health	P.L. 25-120	This fund was created to account for all fees and penalties collected pursuant to laws enforced by the Division of Environmental Health of the Department of Public and Social Services.	\$ 411,619	\$ 538,807	\$ 816,152
29	602	Healthy Futures	P.L. 27-05	This fund was created to account for 50% of proceeds received on alcoholic beverages excise taxes and all tobacco-related taxes.	\$ 9,132,878	\$ 725,596	\$ 10,463,523
30	603	Tax Collection	P.L. 27-05	This fund was created for employing tax technicians, revenue agents, revenue officers, in order to increase collection of taxes and for the salaries of employees serving as Passport Acceptance Agents, and for the Public School Library Resources Fund.	\$ 623,136	\$ 529,055	\$ 638,501

Appendix 21:

Funds that Met the \$500,000 Threshold—FY 2005 Financial Activity

					2005 (Unaudited)		
Fund Number	Fund Name	Enabling Legislation	Description	Revenues	Expenditures	Remaining Fund Balance	
31	604	Public Library System	P.L. 15-124	This fund accounts for the operations of all libraries in the Library System.	\$ 612,139	\$ -	\$ 637,792
32	605	Special Assets Forfeiture	P.L. 26-120	This fund was created to account for property that is forfeited under any local law enforced or administered by the Guam Police Department.	\$ 207,699	\$ 44,806	\$ 843,421
33	607	Supplemental Annuity Benefits	P.L. 27-29	This fund was created for the period October 1, 2003 to September 30, 2004, for direct payment to those employees who retired prior to October 1, 1995, or their survivors.	\$ -	\$ -	\$ 13,208,482
34	615	UOG Higher Education Endowment	P.L. 24-174	This fund was created to account for 15% of proceeds from the sale and securitization of the allocation under the tobacco settlement agreement.	\$ -	\$ -	\$ -
35	616	GTA Privatization Proceeds Fund	P.L. 26-70	This fund was created to account for proceeds from the GTA privatization.	\$ 129,775,973	\$ 174	\$ 13,890,778
36	XX	GDOE Federal Grants	Unable to locate	This fund was created within DOE to account for all activities of special federal assistance grants utilized by GDOE.	Not available	Not available	Not available
37	XX	Legislature Operations	P.L. 12-22	The Guam Legislature was created by the Organic Act of Guam, as amended. Funding is provided through General Fund appropriations.	Not available	Not available	Not available
38	XX	Public Auditor	P.L. 21-122	The Office of the Public Auditor was created as an instrumentality of the Government of Guam, independent of the executive, legislative, and judicial branches.	\$ 56,619	\$ 917,042	\$ 325,329
39	XX	Public Defender Service Corporation	P.L. 13-51	This fund was created to provide legal aid and assistance to persons on Guam who are unable to afford counsel.	Not available	Not available	Not available

Appendix 21:
Funds that Met the \$500,000 Threshold—FY 2005 Financial Activity

					2005 (Unaudited)		
	Fund Number	Fund Name	Enabling Legislation	Description	Revenues	Expenditures	Remaining Fund Balance
40	XX	Superior Court Operations	P.L. 24-59	The Superior Court of Guam was created as a separate special revenue fund. Funding is provided through General Fund appropriations	Not available	Not available	Not available
41	XX	Supreme Court of Guam	P.L. 24-59	The Supreme Court of Guam was created to determine the appropriate procedures for reviewing decisions rendered by the Superior Court of Guam. Funding is provided through Government of Guam General Fund appropriations.	Not available	Not available	Not available
Funds that Met the \$500,000 Threshold					\$ 842,976,043 ¹¹	\$ 680,713,892	\$ (220,631,187)

¹¹ Amount not adjusted for transfers between funds.

Appendix 22:

Funds that Met the \$500,000 Threshold—FY 2002, 2003, and 2004 Financial Activity

	Fund Number	Fund Name	2004		2003		2002	
			Revenues	Expenditures	Revenues	Expenditures	Revenues	Expenditures
1	100	General Fund	\$ 408,972,598	\$ 325,470,405	\$ 426,276,454	\$ 342,550,414	\$ 319,629,279	\$ 313,004,360
2	101	Federal Grant Fund	\$ 113,464,540	\$ 133,407,191	\$ 113,648,815	\$ 139,651,423	\$ 101,666,573	\$ 125,882,921
3	105	Community Health Centers	\$ 573,186	\$ 842,878	No transactions	No transactions	No transactions	No transactions
4	202	Abandoned Vehicle and Streetlight	\$ 3,128,163	\$ 2,293,631	\$ 1,777,940	\$ 1,495,740	\$ 943,299	\$ 698,811
5	205	Territorial Educational Facilities	\$ 21,742,624	\$ -	\$ 19,603,430	\$ 2,269	\$ 17,731,254	\$ -
6	206	Tourist Attraction	\$ 17,674,859	\$ 10,046,826	\$ 13,126,814	\$ 9,668,559	\$ 15,056,408	\$ 133,193
7	208	Territorial Highway	\$ 13,880,367	\$ 8,941,192	\$ 13,843,751	\$ 6,390,273	\$ 13,747,061	\$ 4,361,154
8	209	Customs, Agriculture and Quarantine Inspection Services	\$ 8,372,438	\$ 7,943,906	\$ 4,936,367	\$ 8,404,438	\$ 4,880,532	\$ 7,661,776
9	214	DOC Inmates Revolving	\$ 1,663,281	\$ 1,180,611	\$ 1,955,346	\$ 1,308,470	\$ 2,417,864	\$ 2,854,627
10	226	L.O. Infra Improv 2001-DSF	\$ 5,738	\$ 6,027,181	\$ 759,153	\$ 6,033,921		
11	247	Village Streets	\$ 11,135	\$ 428,925	\$ 15,291	\$ 697,310	\$ 39,791	\$ 1,330,654
12	251	Infrast Imprvmt Bond '89 - CPF	\$ 144,217	\$ 9,051,497	\$ 355,679	\$ 9,730,745	\$ 655,104	\$ 5,545,063
13	252	Water System Rev Bond 89 - CPF	\$ 25,057	\$ 1,462,801	\$ 43,046	\$ 736,760	\$ 104,689	\$ 1,424,012
14	253	G.O. Bond 1993 Series A - CPF	\$ 16,096	\$ 2,143,891	\$ 61,339	\$ 1,559,425	\$ 74,356	\$ 91,883
15	266	Board of Accountancy	\$ 304,375	\$ 700,180	\$ 1,483,724	\$ 1,077,998	\$ 1,081,205	\$ 683,553
16	281	Enhanced 911 Emergency Reporting System	\$ 872,614	\$ 1,048,755	\$ 1,889,149	\$ 694,446	\$ 310,321	\$ 705,346
17	310	Workman's Compensation	\$ 323,454	\$ 1,829,902	\$ 318,402	\$ 1,311,981	\$ 566,107	\$ 1,515,885
18	311	Health and Security Trust	\$ 67,022	\$ 1,403,622	\$ 84,625	\$ 1,100,804	\$ -	\$ -
19	326	Guam Preservation Trust	\$ 615,754	\$ 166,063	\$ 700,993	\$ 200,604	\$ 405,954	\$ 173,181

Funds that Met the \$500,000 Threshold—FY 2002, 2003, and 2004 Financial Activity

	Fund Number	Fund Name	2004		2003		2002	
			Revenues	Expenditures	Revenues	Expenditures	Revenues	Expenditures
20	329	Off-Island Treatment	\$ -	\$ 1,443,322	\$ -	\$ 1,700,094	\$ -	\$ 1,939,541
21	354	DSF - 89 Infrs Imprvmt Bond	\$ 11,569	\$ 7,339,037	\$ 19,659	\$ 7,339,774		
22	355	DSF-89 Water Sys Rev Bond	\$ 57,102	\$ 11,141,893	\$ 28,714	\$ 9,835,084		
23	357	DSF - 93 G.O. Bond	\$ 9,969	\$ 12,525,476	\$ 16,092	\$ 12,822,634	\$ 29,309	\$ 12,674,710
24	359	DSF - 95 G.O. Bond	\$ 4,659	\$ 18,012,708	\$ 14,664	\$ 17,999,125	\$ 22,832	\$ 17,998,219
25	360	VSC/ERI Program			\$ -	\$ -	\$ -	\$ 2,797,490
26	404	GSA Inventory Revolving	\$ 1,847,859	\$ 1,319,257	\$ 1,974,755	\$ 2,657,274	\$ 1,766,530	\$ 549,012
27	416	Solid Waste Operations Fund	\$ 3,503,800	\$ 4,078,508	\$ 6,426,359	\$ 8,417,758	\$ 4,490,811	\$ 6,660,443
28	600	Environmental Health	\$ 375,078	\$ 38,432	\$ 198,735	\$ -	\$ 168,365	\$ -
29	602	Healthy Futures	\$ 8,567,333	\$ 8,612,971	\$ 2,360,219	\$ -	No transactions	No transactions
30	603	Tax Collection	\$ 481,397	\$ 347,412	\$ 399,422	\$ 6,843	No transactions	No transactions
31	604	Public Library System	\$ 630,850	\$ 494,949	\$ 249,969	\$ -	No transactions	No transactions
32	605	Special Assets Forfeiture	\$ 51,250	\$ 112,652	\$ 831,732	\$ 91,070		
33	607	Supplemental Annuity Benefits	\$ -	\$ 6,295,220	No transactions	No transactions	No transactions	No transactions
34	615	UOG Higher Education Endowment	\$ 21,072	\$ 2,238,384	\$ 28,024	\$ 1,047,581	No transactions	No transactions
35	616	GTA Privatization Proceeds Fund	No transactions	No transactions	No transactions	No transactions	No transactions	No transactions
36	XX	GDOE Federal Grants	\$ 42,224,811	\$ 42,809,983	\$ 34,774,746	\$ 37,022,618	No transactions	No transactions
37	XX	Legislature Operations	\$ 29,431	\$ 7,161,045	\$ 40,498	\$ 8,020,380	\$ 15,242	\$ 8,161,400
38	XX	Public Auditor	\$ 54,244	\$ 839,105	\$ 2,952	\$ 933,975	\$ 967,483	\$ 915,619
39	XX	Public Defender Service Corporation	\$ 163,697	\$ 2,289,808	\$ 45,663	\$ 2,393,377	\$ 42,123	\$ 2,398,671
40	XX	Superior Court Operations	\$ 1,527,713	\$ 15,172,203	\$ 1,600,388	\$ 17,105,011	\$ 1,684,911	\$ 17,422,723
41	XX	Supreme Court of Guam	\$ 68,848	\$ 2,498,376	\$ 81,337	\$ 2,432,323	\$ 55,559	\$ 2,359,186
Funds that Met the \$500,000 Threshold			\$ 651,488,200	\$ 659,160,198	\$ 649,974,246	\$ 662,440,501	\$ 488,552,962	\$ 539,943,433

Appendix 23:
Funds Necessary for Government Function—FY 2005 Financial Activity

	Fund Number	Fund Name	Enabling Legislation	Description	2005 (Unaudited)		
					Revenues	Expenditures	Remaining Fund Balance
1	103	Stripper Well	P.L. 18-30	This fund was created based on a federal court decision against the Exxon Corporation. Guam was allocated some three million dollars as its share of the settlement. This fund is administered by the Guam Energy Office.	\$ 10,335	\$ -	\$ 584,007
2	104	Exxon Fuel Overcharge	P.L. 18-30	This fund was created based on a federal court decision against Stripperwell. Guam was allocated a share of the settlement. Expenditures are limited to Federal Energy Programs and are administered by the Guam Energy Office. Revenues are from interest earned on this fund's interest bearing account.	\$ 3,911	\$ 12,819	\$ 855,008
3	213	Contractors' License Board	Unable to locate	This fund was created to protect the public by licensing the contractors of Guam. Revenues are derived from both license fees and appropriations.	\$ 326,264	\$ 31,627	\$ 437,480
4	215	Professional Engineers', Architects' and Surveyors'	P.L. 14-135	This fund was created to receive fees from licenses and license renewals and to use those funds to administer and enforce the laws relating to professional engineers, architects and land surveyors.	\$ 99,152	\$ 60,972	\$ 85,911
5	224	L.O. Highway Bond 2001A-CPF	Unable to locate	This fund is used to account for the construction of highway improvement projects from Limited Obligation Highway Improvement bond proceeds.	\$ 712,793	\$ -	\$24,593,351
6	232	Manpower Development	P.L. 18-48	This fund was created to enhance manpower training programs. The fund receives revenues from registration fees of non-immigrant workers.	\$ 104,930	\$ -	\$ 256,782
7	237	Government House Revolving	E.O. 87-08	This fund was created to account for the fees charged and related expenditures made for the use of the Government House for public functions held.	\$ 113	\$ -	\$ 11,995
8	239	Government Claims	P.L. 17-29	This fund was created to pay for claims against any line agency of the Government of Guam. Revenues come from legislative appropriations.	\$ -	\$ -	\$ 124,655

Funds Necessary for Government Function—FY 2005 Financial Activity

	Fund Number	Fund Name	Enabling Legislation	Description	2005 (Unaudited)		
					Revenues	Expenditures	Remaining Fund Balance
9	241	Health Professional Licensure	P.L. 21-33	This fund was created to defray the costs of obtaining standardized examination materials and services for the healing arts and cosmetology licensure and the cost of proctoring examination at the testing site.	\$ 104,332	\$ 16,359	\$ 140,454
10	263	Police Services	P.L. 24-23	This fund was created for funding the general operational needs of the GPD. Revenues are derived from miscellaneous services and fees provided by the department.	\$ 393,451	\$ 143,172	\$ 328,044
11	270	Health and Human Services	P.L. 24-174	This fund was created to account for 10% of proceeds from the sale and securitization of the allocation under the Master Tobacco Settlement Agreement.	\$ 75,431	\$ -	\$ 2,678,007
12	276	Youth Tobacco Education and Prevention	P.L. 25-187	This fund was created to account for 10% of proceeds from the sale and securitization of the allocation under the Master Tobacco Settlement Agreement to the Department of Mental Health and Substance Abuse.	\$ 37,500	\$ -	\$ 1,178,250
13	282	Carrier Off-Duty Services Revolving	P.L. 25-138	This fund was created for charges from services performed by Customs and Quarantine Officers, in the performance of their duties on any day of the week.	\$ 335,190	\$ -	\$ 396,145
14	294	Mental Health and Substance Abuse	P.L. 26-68	This fund was created to account for all proceeds received by the Youth Tobacco Education and Prevention Fund.	\$ -	\$ 408,598	\$ 362,279
15	299	Financial Management Revolving	E.O. 2002-12	This fund was created for costs associated with accounting for monies and deposits charged for treasury services related to the Financial Management Division.	\$ 260,985	\$ 138,554	\$ 254,537
16	303	Income Tax Refund Reserve	P.L. 22-140	This fund was created for receiving General Fund revenues reserved for income tax refunds.	\$ -	\$ -	\$ -
17	325	Criminal Injuries	P.L. 20-155	This fund was created for the purpose of compensating victims injured through criminal mischief. Sources of funding come from prosecuted criminals (offenders) and Government appropriations.	\$ 121,952	\$ -	\$ 172,007
Funds Required for Government Function					\$2,586,339	\$ 812,101	\$32,458,912

Appendix 24:

Funds Necessary for Government Function—FY 2002, 2003, and 2004 Financial Activity

	Fund Number	Fund Name	2004		2003		2002	
			Revenues	Expenditures	Revenues	Expenditures	Revenues	Expenditures
1	103	Stripper Well	\$ 2,686	\$ 5,487	\$ 13,964	\$ 43,397	\$ -	\$ 13,310
2	104	Exxon Fuel Overcharge	\$ 1,142	\$ 45,699	\$ 3,146	\$ 248,995	\$ 23,881	\$ 54,732
3	213	Contractors' License Board	\$ 300,101	\$ 230,316	\$ 356,030	\$ 221,816	\$ 257,237	\$ 382,262
4	215	Professional Engineers', Architects' and Surveyors'	\$ 155,268	\$ 149,410	\$ 181,884	\$ 145,721	\$ 142,785	\$ 142,141
5	224	L.O. Highway Bond 2001A-CPF	\$ 187,024	\$ -	\$ 230,974	\$ 36,741	\$ 417,142	\$ 70,608
6	232	Manpower Development	\$ 169,233	\$ 7,679	\$ 62,525	\$ 231,730	\$ 42,568	\$ 309,016
7	237	Government House Revolving	\$ -	\$ -	\$ -	\$ 4,435	\$ 1,150	\$ 329
8	239	Government Claims	\$ -	\$ 100,863	\$ -	\$ 221,341	\$ -	\$ 244,395
9	241	Health Professional Licensure	\$ 428	\$ 13,505	\$ 204,538	\$ 20,619	\$ 96,025	\$ -
10	263	Police Services	\$ 377,681	\$ 299,917	\$ 369,585	\$ 463,234	\$ 270,081	\$ 433,071
11	270	Health and Human Services	\$ 23,173	\$ -	\$ 26,780	\$ -	\$ 41,979	\$ -
12	276	Youth Tobacco Education and Prevention	\$ 33,278	\$ -	\$ 35,015	\$ -	\$ 39,684	\$ -
13	282	Carrier Off-Duty Services Revolving	\$ 349,708	\$ 323,051	\$ 309,451	\$ 364,135	\$ 389,841	\$ 208,234
14	294	Mental Health and Substance Abuse	\$ -	\$ 439,496	\$ -	\$ 39,824	\$ -	\$ 28,131
15	299	Financial Management Revolving	\$ 112,019	\$ 118,361	\$ 118,367	\$ 69,983	\$ 99,263	\$ 9,200
16	303	Income Tax Refund Reserve	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
17	325	Criminal Injuries	\$ 19,471	\$ -	\$ 17,730	\$ -	\$ 16,052	\$ 36,550
Funds Required for Government Function			\$ 1,731,212	\$ 1,733,784	\$ 1,929,989	\$ 2,111,971	\$ 1,837,688	\$ 1,931,979

The Office of the Compiler of Laws was created by P.L. 27-77, codified in Chapter 16 of Title 1 Guam Code Annotated as part of the Supreme Court of Guam. The office is primarily responsible for publishing the Guam Code Annotated, court opinions, session laws, opinions of the Attorney General, executive orders, and the Guam Administrative Rules and Regulations. Publications are available for review on the Compiler webpage: <http://www.guamcourts.org/CompilerofLaws/>

In order to review Government of Guam funds pursuant to P.L. 28-68, the Compiler's Office, utilizing its databases of Guam law, created a table of all funds with convenient hyperlinks to the enabling legislation of each fund. This table was used extensively in the preparation of this report and should assist the Legislature in its own review of the funds identified in this report. The table is provided in the CD-Rom attached below. Please follow the "read me" instructions on the CD.

The OPA appreciates the involvement of the Compiler of Laws and the development of this report.

The draft legislation follows the recommendations made in the main body of this report. However, because of the large number of funds examined (over one hundred) and the short timeframe granted by P.L. 28-68, the examination of all the potential impacts of these amendments was not possible. Any meaningful consideration of such impacts can only be done by the legislature after inviting and receiving public testimony on a "fund-by-fund" basis. Thus, this draft legislation is meant only as a basis to accomplish the intent of the dormant account review. It should be noted that due to time constraints, the impact to the local community, federal programs, local programs, or government services or activities was not analyzed as a result of the recommended closures and consolidations of these special revenue funds. Recommendations on other changes to legislative mandates, such as fund consolidations and structural amendments, are provided in the main body of this report.

**I MINA'BENTE OCHO NA LIHESLATURAN GUÅHAN
2006 Session**

Bill No. _____

Introduced by:

**AN ACT TO REPEAL OR AMEND DORMANT AND INACTIVE
GOVERNMENT OF GUAM FUNDS AND ACCOUNTS.**

BE IT ENACTED BY THE PEOPLE OF GUAM:

Section 1. Legislative Intent.

Section 2. The following funds and their enabling statutes are hereby repealed and the existing balances within each fund shall revert to the General Fund and all revenue previously earmarked into these funds shall continue to be collected and credited to the General Fund:

AS400 Fund Number	Fund Name	GCA Citation or Public Law
XX	Land Claims Fund	12 GCA § 72104
107	Post Fund	17 GCA § 32306
203	Wildlife Conservation	5 GCA § 63130
204	Summer School Fund	17 GCA § 6119
210	Land for the Landless	P.L. 22-63:1(b)
211	Plant Nursery Revolving	5 GCA § 62202.1
216	Individuals w/ Disabilities Disaster Recovery	17 GCA § 41601
217	Safe Streets	16 GCA § 18125
218	JROTC Fund	17 GCA § 6118
223	Litter Control Revolving	10 GCA § 51204
229	General Services Agency	E.O. 86-24
230	Vocational Rehabilitation Revolving Fund	E.O. 87-11
231	GFD Capital Outlay Revolving Fund	10 GCA § 72106
234	Guam Housing Corporation Revolving	P.L. 20-210

**Appendix 25:
Compiler of Laws and Draft Legislation**

AS400 Fund Number	Fund Name	GCA Citation or Public Law
236	Accessible Parking	5 GCA § 50111(c)
238	Program Development	P.L. 18-20:1(h)
240	Aquaculture Development and Training Fund	5 GCA § 70110
243	Farmers' and Fishermen's Loan Revolving	5 GCA § 60301
244	Guam Museum	5 GCA § 87136(h)
246	Drivers' Education	5 GCA § 21120
248	Guam Beautification	21 GCA § 77114.3
249	Municipal Litter and Defacement Fund	5 GCA § 40131
250	Consumer Protection	5 GCA § 32131
261	Notary Public Revolving	5 GCA § 33106
262	Autonomous Agency Infrastructure Collections	5 GCA § 22421
264	Drug Treatment and Enforcement	9 GCA § 67.414.1
267	Dededo Buffer Strip Revolving	21 GCA § 68901(c)
268	Typhoon Paka Emergency Fund	P.L. 24-117; E.O. 2002-02
269	Public Service Recovery	P.L. 98-12
271	1999 SPG Revolving Fund	P.L. 25-01:4
272	Controlled Substance Diversion	9 GCA § 67.301
274	Komitea Para Tiyan	P.L. 24-59:IV:1
275	SW Medical Monitoring	10 GCA § 33204
278	Off-Island Travel	
280	Overtime Fund	P.L. 25-98:23
285	Rabies Prevention	10 GCA § 34307
286	Utility Bank Fund	P.L. 25-164:V:26
287	Livestock	5 GCA § 61416
288	Rainy Day Fund	5 GCA § 22901
289	Safe Drinking Water Fund	10 GCA § 53308
290	Barbering and Cosmetology Fund	10 GCA § 18108
295	GFD Lease-to-Purchase Program	P.L. 26-35:III:28
296	Healthcare Systems Privatization Fund	P.L. 26-35:33(b)
298	Human Resources Services Revolving	E.O. 2002-01
301	Income Tax Rebate	12 GCA § 58138

**Appendix 25:
Compiler of Laws and Draft Legislation**

AS400 Fund Number	Fund Name	GCA Citation or Public Law
305	CAHA, OET and CEF Fund	5 GCA § 85111
307	Guam Based Trust	4 GCA § 4303
309	Agana Fractional Lots Program	
312	Farmers Small Loan Revolving	5 GCA § 60309
313	Inmates Work Release	P.L. 21-75
314	State Agency for Surplus Property	
316	Off-Island Sports	21 GCA § 77124
319	Community Development Fund	5 GCA § 40119
321	Income Tax Efficiency Payment	11 GCA § 51101
322	Deficit Elimination Fund	P.L. 19-10
327	Taguag Memorial Cemetery	E.O. 85-7
328	District Improvement Fund	11 GCA § 31102
331	Puntan Dos Amantes Park Trust	P.L. 24-333:11
350	Constr Dededo Precint/Crimelab	5 GCA § 22425(t)
351	Land Acquisition Fund	21 GCA § 60612
352	Guam Rehabilitation	P.L. 13-122
503	Education Facilities Fund	12 GCA § 51107; 5 G.C.A. 22425(l)
606	Lost and Damaged Textbooks	17 GCA § 4107
608	Guam Plant Inspection and Permit	5 GCA § 73302
609	Municipal Recycling Proceeds	10 GCA § 51602
610	Community Advancement Fund	P.L. 27-035:3
611	Banking and Insurance Enforce	11 GCA § 103120
612	Guam Police Dept Loan Fund	5 GCA § 22425(t)(7)
613	GPD Special Assessments Fund	P.L. 24-285:3-4
614	Government Ethics Fund	5 GCA § 10112

Section __. Effective Date.

Appendix 26: Management Response



Felix P. Camacho
Governor
Kaleo S. Moylan
Lieutenant Governor

Department of Administration
(DIPATAMENTON ATMENESTRASION)
DIRECTOR'S OFFICE
(UFISINAN DIREKTOT)

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Lourdes M. Perez
Director
Joseph C. Manibusan
Deputy Director

April 11, 2006

Ms. Doris Flores Brooks, CPA, CGFM
Public Auditor
Office of the Public Auditor
Suite 401, Pacific News Building
238 Archbishop Flores Street
Hagatna, Guam 96910

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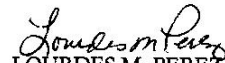
Dear Ms. Brooks:

Hafa Adai! We have reviewed and concur with your recommendations on the Performance Audit on the Dormant and Inactive Funds of the Government of Guam. We would like to express our sincere appreciation for such an extensive report provided by your office. This would certainly assist the Division of Accounts in reducing their scope of work, therefore becoming more efficient.

Once again, thank you for your continued support.

Si Yu'os Ma'ase!

Sincerely,


LOURDES M. PEREZ
Director of Administration

Appendix 27:
Status of Audit Recommendations

Finding/ Recommendation Reference	Status	Action Required
1	Unresolved	Provide action plan for the implementation of recommendations.
2	Management Concur; additional information needed.	Provide action plan for the implementation of recommendations.

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



- Call our HOTLINE at 47AUDIT (472-8348);
- Visit our website at www.guamopa.org;
- Call our office at 475-0390;
- Fax our office at 472-7951;
- Or visit us at the PNB Building, Suite 401
In Hagåtña

All information will be held in strict confidence.