

ANNUAL WORK PLAN 2025

OFFICE OF PUBLIC ACCOUNTABILITY

DISTRIBUTION:

Governor of Guam
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This report contains the Office of Public
Accountability's (OPA) upcoming engagements for
Calendar Year (CY) 2025.

We appreciate your interest in reading this report as
we put our greatest efforts to deliver to you an
informative account of what is ahead for our office.

Should you have any comments and/or questions,
please contact us at admin@guamopa.com.



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A MESSAGE

FROM THE PUBLIC AUDITOR

For over 30 years, the Office of Public Accountability has served the people of Guam, ensuring effective, efficient, and equitable administration and management of public funds and programs. Guided by our core values of objectivity, professionalism, and accountability, we uphold our commitment to safeguard public trust and promote good governance.

In addition to meeting our mandates, we are regularly engaged in training opportunities for staff development and growth; we participate with other Supreme Audit Institutions in cooperative projects; and we monitor factors that may impair our independence from external influence. These activities help us to be innovative and dynamic in our approach to completing independent audits, rendering decisions on procurement appeals, and addressing hotline tips and citizen concerns.

With your support, we look forward to the successful implementation of our CY 2025 Annual Work Plan.



Senseramente,

Benjamin J.F. Cruz
Public Auditor



INTRODUCTION

WHO WE ARE

The OPA is an instrumentality of the Government of Guam (GovGuam), independent of the executive, legislative, and judicial branches. OPA was created on July 20, 1992 through Public Law 21-122. The office has been in existence for 32 years now.

The Public Auditor is mandated by Title 1 of the Guam Code Annotated (GCA) § 1908 to conduct post audits of all the transactions and accounts of all departments, offices, corporations, authorities, and agencies in all the branches of GovGuam. The Public Auditor may also conduct such other audits or reviews as he deems necessary.

As of CY 2024, our team is comprised of 14 Auditors, the Public Auditor, and an Administrative Services Officer.

In CY 2024, we released 12 performance audits, had oversight on 21 financial audits, and administered five procurement appeals. We will discuss more of the results of our CY 2024 performance in our Annual Report for CY 2024.

WHAT WE DO

We primarily conduct performance audits, have oversight over financial audits, and adjudicate procurement appeals.

We work with GovGuam departments and agencies to improve their performance and ensure transparency and accountability of government funds for the benefit of our community.

We seek to achieve independent and nonpartisan assessments that promote accountability and efficient, effective management throughout GovGuam.

CY 2025

ANNUAL WORK PLAN

Our Annual Audit Plan provides the vision and framework for the activities of the OPA for CY 2025. This plan supports the OPA's five-year Strategic Plan covering CYs 2024-2028.

Our Strategic Plan serves as the OPA's comprehensive roadmap, outlining our strategies to accomplish our mission, vision, and strategic priorities. The OPA aims to achieve excellence in what we do and ensure that GovGuam utilizes its resources in an effective, efficient, and equitable manner to benefit and improve the wellbeing of the people of Guam by delivering the value in our audit reports and other OPA-provided services.

AUDIT PLAN NOT SET IN STONE

Throughout the year, the Public Auditor and OPA management team conduct periodic evaluations of our annual work plan to identify causes of variations from the plan, compare the benefits derived from audits with their costs, and determine the audits to be assigned to each audit team.

At any time, we may adjust our annual work plan based on input from the Public Auditor due to emerging issues, investigation of potential fraud, conflicts of interest, availability of resources, subsequent audit requests from stakeholders, or other circumstances.

MONTHS IN THE MAKING

Our office worked to put together this annual plan for the past two months. The culmination of our work resulted in our planned engagements for CY 2025.

We first solicited performance audit topic suggestions from GovGuam agencies and department heads, public officials, the general public, and OPA staff. We then considered all responses in developing this plan.

Our team discussed each proposed performance audit topic, including those we solicited, and independently rated the topics. We collectively agreed on the top 20 audit topics based on our individual ranking and conducted a risk assessment for each topic based on established criteria.

The Public Auditor participated and had oversight over the work throughout our annual plan process.

Our planned engagements for CY 2025 are listed on the following pages and include:

- Seven new performance audits,
- 13 ongoing performance audits,
- 30 financial audits, and
- Three pending procurement appeals.

We will continue to manage our legislative mandates, investigative duties, and various administrative responsibilities.

We look forward to CY 2025 as we continue to deliver value in the work that we do with the highest standards of quality and professionalism.

PERFORMANCE AUDITS

We follow Generally Accepted Government Auditing Standards, also known as the Yellow Book, issued by the Comptroller General of the United States in carrying out our performance audits.

Where applicable, we also follow the International Standards of Supreme Audit Institutions issued by the International Organization of Supreme Audit Institutions.

ONGOING PERFORMANCE AUDITS

As of December 31, 2024, we reassessed the status of our performance audits in CY 2024, and 13 audit engagements will carry forward into CY 2025.

No.	Agency	Audit Topic
1.	CQA	Alcohol Imports Analysis
2.	DOAg	Invasive Species Fund
3.	DPHSS	Medicaid Program-Provider Eligibility – Part I
4.	DRT	Oversight Over Nonprofit Organizations
5.	GDOE	Analysis of American Rescue Plan and Education Stabilization Fund in Relation to 14 Points Mandate
6.	GDOE	Accountability of Textbooks Audit
7.	GMHA	Contracted Physician Compensation Package and Privileges – Part I
8.	GPD	Audit of GPD’s Internal Controls and Procedures
9.	GSHPO	Applications Process
10.	UOG	GGW Credit Card Use Series, Part V
11.	RCUOG	GGW Credit Card Use Series, Part VI
12.	JOG	GGW Credit Card Use Series, Part VII
13.	PDSC	GGW Credit Card Use Series, Part VIII

We are committed to completing the performance audits we started in CY 2024. We start and complete new performance audits as resources permit.

NEW PERFORMANCE AUDITS

Through extensive deliberations with OPA staff and the Public Auditor, audit requests from stakeholders, and risk assessments, we established our performance audit annual plan to determine which government entities and programs to audit or review.

The Public Auditor and OPA staff conducted risk assessments independently for each of the 20 audit topics with the following established criteria:

Financial Impact	
30%	Is there a high financial impact? What is the estimated potential loss of revenue or cost savings?
Public Concern or Social Impact	
25%	Is the audit topic a high interest to the community, whether social, political, environmental, etc.?
Program Risk	
25%	What is the likelihood that the program will fail, have poor control, or will not meet its goals?
Leadership Interest	
20%	What is the interest in the program by public officials or the GovGuam entity’s management team?

Our risk assessment process helps us define the importance of each audit topic to be able to decide where to invest our limited resources. As a result, we collectively came up with seven new performance audit engagements for CY 2025.

CY 2025 PERFORMANCE AUDITS

1

Guam Veterans Affairs Office

REVIEW OF GUAM'S VETERANS SERVICES

2

Department of Public Works

VILLAGE STREETS MANAGEMENT STRATEGY

3

Department of Public Health and Social Services

SNAP AND P-EBT BENEFITS REPORTING

4

Government of Guam-wide

GOVERNMENT OF GUAM PUBLIC DEBT

5

Department of Public Health and Social Services

SANITATION INSPECTION PROCESS

6

Guam Environmental Protection Agency

RECYCLING REVOLVING FUND

7

Department of Public Health and Social Services

FAMILY FIRST PREVENTION SERVICES ACT



MONITORING & EVALUATION

MONITORING OUR WORK PROGRESS

To monitor our progress towards our annual work plan, our office maintains a summary of the status of all ongoing performance audits and forecast for the next three months. The summary also monitors the progress of financial audit releases and procurement appeals, and the status of GovGuam entities' implementation of performance audit recommendations. We assign a staff to update the status of ongoing engagements and projects at the end of every month.

STATUS OF AUDIT RECOMMENDATIONS

In CY 2025, our office will conduct a follow up review with appropriate GovGuam entities on the status of OPA's prior audit recommendations. We will issue a report on the implementation status of these recommendations.

WE KEEP MOVING FORWARD

We are committed to providing a supportive environment for our employees and recognize quality, responsiveness, and professionalism in the workforce.

We ensure that all of our auditors comply with the Yellow Book's (U.S. Government Accountability Office Government Auditing Standards) minimum Continuing Professional Education (CPE) requirement. The Yellow Book requires auditors to maintain 80 hours of CPE every two years.

Our office is a member of the Pacific Association of Supreme Audit Institutions and the Association of Pacific Islands Public Auditors (APIPA). In CY 2023, our office underwent a Peer Review and received a full compliance rating of Pass. This Peer Review covered performance audits issued from January 1, 2020 to December 31, 2022 and was independently conducted by an external peer review team of auditors selected by APIPA.

Our office has consistently received a rating of Pass upon completion of all our past Peer Reviews. This means our performance audits have been conducted in compliance with the Yellow Book standards.

FINANCIAL AUDITS

No.	Agency Name
1.	A.B. Won Pat International Airport Authority, Guam
2.	Business and Technology Academy Charter School
3.	Career Tech High Academy Charter School
4.	Chamorro Land Trust Commission
5.	Department of Chamorro Affairs
6.	Government of Guam (GovGuam-wide)
7.	Government of Guam Retirement Fund
8.	Government of Guam Retirement Fund (457 Plan)
9.	Guahan Academy Charter School
10.	Guam Ancestral Lands Commission
11.	Guam Community College
12.	Guam Department of Education
13.	Guam Economic Development Authority
14.	Guam Housing and Urban Renewal Authority
15.	Guam Housing Corporation
16.	Guam Memorial Hospital Authority
17.	Guam Power Authority
18.	Guam Preservation Trust
19.	Guam Solid Waste Authority
20.	Guam Visitors Bureau
21.	Guam Waterworks Authority
22.	Healthy Futures Fund
23.	iLearn Academy Charter School
24.	Maga'låhen Hurao CHamoru Academy Charter School
25.	Mount Carmel Academy Charter School
26.	Port Authority of Guam
27.	Public Broadcasting Service Guam
28.	Science is Fun and Awesome Learning Academy Charter School
29.	Tourist Attraction Fund
30.	University of Guam

Financial audits are essential in assessing the overall financial condition and performance of GovGuam as a whole, its component units, and agencies. Financial audits provide reasonable assurance that the entity's audited financial statements are presented fairly in compliance with applicable professional standards.

The Public Auditor, through 1 GCA § 1908, may contract services of independent auditing firms to conduct financial audits of GovGuam, its component units, and agencies. OPA has oversight on these GovGuam financial audit engagements.

GovGuam entities work with our office to issue Requests for Proposals (RFP) to procure financial audit services. In CY 2025, we expect to issue RFPs for financial audits of GovGuam entities whose audit contracts are covered up to fiscal year 2024.

FINANCIAL AUDITS IN CY 2025

In CY 2025, we will oversee at least 30 financial audits of GovGuam agencies and departments, including the consolidated government-wide audit and special revenue funds. These agencies and funds have a fiscal year ending September 30.

The financial audits include the review of the Single Audit Reports of certain agencies and departments that disbursed federal grants.

All financial audits are to be issued by June 30 (nine months after fiscal year-end) pursuant to 1 GCA § 1909(a). OPA is committed to having all GovGuam financial audits issued no later than February 28th or five months after the end of the fiscal year.

PROCUREMENT APPEALS

Pursuant to 1 GCA §1909(k), the Public Auditor hears and decides on an appeal by a protestant about a decision issued by the head of a purchasing agency.

The Public Auditor may assign a procurement appeal to one of OPA’s contracted Hearing Officers. Like the current Public Auditor, Hearing Officers are Guam-licensed attorneys.

OPA engages the Hearing Officers to prevent potential conflicts and to provide expert advice.

RESOLVING PROCUREMENT APPEALS

Procurement appeals filed with the OPA are complaints by aggrieved persons against the purchasing agency’s decision on:

- a) Protest of method, solicitation, or award;
- b) Debarment or suspension;
- c) Contract or breach of contract controversy; or
- d) Award determination during a pending protest or appeal.

Our goal is to resolve procurement appeals within 90 to 120 days from the time of filing and to decide within 30 to 60 days after the appeal hearing.

PROCUREMENT APPEALS IN CY 2024

We handle procurement appeals when filed at our office for the Public Auditor to hear and decide. We cannot determine how many appeals will be filed in any period.

In CY 2024, of the five procurement appeals filed, two were dismissed, and three are ongoing as of January 2025.

Appeal No.	Subject
24-001	Morrigo Equipment, LLC vs. Guam Solid Waste Authority
24-002	Morrigo Equipment, LLC vs. Port Authority of Guam
24-003	TakeCare Insurance Company, Inc. vs. Department of Administration
24-004	Data Management Resources LLC vs. Port Authority of Guam
24-005	Pacific Federal Management, Inc. vs. Guam International Airport Authority

As of the release date of our CY 2025 Annual Work Plan, we have not received any procurement appeals.

OTHER TASKS

LEGISLATIVE MANDATES

Several enacted mandates require OPA to audit specific government-related activities, become a member of certain oversight commissions and committees, prepare and submit certain reports periodically (e.g., budget, annual report, etc.), and receive various reports and other information from GovGuam agencies and departments.

OPA has a Legislative Mandates Committee that is responsible for monitoring mandates involving OPA. This committee updates the Public Auditor at least quarterly, or as frequently as determined necessary, to seek approval of the committee's recommendations and disposition of the legislative mandates.

CITIZEN CONCERNS

The OPA has a hotline phone number that provides a confidential way for citizens and government employees to share their concerns and report improper government activities, such as illegal acts (e.g., corruption, bribery, theft, or fraud), misuse or abuse of government property or time, and gross misconduct, incompetence, or inefficiency.

OPA has an Investigative Committee that is responsible for receiving hotline tips or citizen concerns and monitoring the hotline database. This committee provides quarterly updates to the Public Auditor, but the more credible and urgent hotline tips or citizen concerns are immediately brought to the Public Auditor's attention. Ultimately, the Public Auditor decides on the course of action to address or close the hotline tip or citizen concern.

ADMINISTRATIVE

Although OPA has an Administrative Services Officer, all other employees take part in the office administrative tasks. These tasks include:

1. Policy/procedure development and modifications
2. Strategic planning
3. Data and Information Technology activities
4. Office Procurement
5. Timekeeping
6. Other administrative duties

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