Gmail

Benjamin J.F. Cruz <senator@senatorbjcruz.com>

Bureau of Budget and Management Research - 2016 Citizen Centric Report

2 messages

Janessa Blas <janessa.blas@bbmr.guam.gov> Tue, Aug 8, 2017 at 11:33 AM
To: mbrillante@guamopa.com
Cc: Lester Carlson <lester.carlson@bbmr.guam.gov>, senator@senatorbjcruz.com

Hafa Adai,

Pursuant to public Law 30-127, transmitted as attached the Bureau's FY 2016 Citizen Centric Report. Should you have any questions, please do not hesitate to contact the Bureau at 475-9412. Thank you and have a great day!

Janessa Blas
Budget & Management Analyst
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GL# 34-17-861
Speaker Benjamin J.F. Cruz
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2 attachments

- CCR Transmittal Letter.pdf 17K
- BBMR 2016 CCR.pdf 1748K

Benjamin J.F. Cruz <senator@senatorbjcruz.com> Tue, Aug 8, 2017 at 3:08 PM
To: Guam Legislature Clerks <clerks@guamlegislature.org>
Cc: "<rennae@guamlegislature.org>" <rennae@guamlegislature.org>, BENJAMIN CRUZ <speaker@senatorbjcruz.com>

08/08/2017	08/07/2017	Bureau of Budget and Management Research	2016 Citizen Centric Report	34-17-861

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Speaker Benjamin J.F. Cruz
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http://www.senatorbjcruz.com

2 attachments

- CCR Transmittal Letter.pdf 17K
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BUREAU OF BUDGET & MANAGEMENT RESEARCH

OFFICE OF THE GOVERNOR
Post Office Box 2950, Hagåtña Guam 96932

EDDIE BAZA CALVO
GOVERNOR

RAY TENORIO
LIEUTENANT GOVERNOR

LESTER L. CARLSON, JR.
ACTING DIRECTOR

AUG 0 7 2017

Doris Flores Brooks, CPA, CGFM
Public Auditor
Suite 401 DNA Building
238 Archbishop Flores Street
Hagatna, Guam 96910

Håfa Adai Public Auditor Flores Brooks,

Pursuant to Public Law 30-127, transmitted as attached is the Bureau's Citizen-Centric Report (CCR) for FY 2016. This report is provided in electronic format (via pdf email attachment) to your office and will be posted on our website at http://bbmr.guam.gov/. Copies of the report will also be sent to the Speaker in the electronic format as required.

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

Sincerely,

LESTER L. CARLSON, JR.

Attachment

BUREAU OF BUDGET AND MANAGEMENT RESEARCH

Setbision Manina Yan Minanehan Gusto



The Honorable Eddie Baza Calvo
I Maga'lahen Guåhan

The Honorable Ray Tenorio
I Segundu na Maga'lahen Guåhan

Jose S. Calvo
Director

Lester L. Carlson Jr.
Deputy Director

2016 Citizen Centric Report

VISION STATEMENT

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

MISSION STATEMENT

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

STRATEGIC GOALS/OBJECTIVES

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

Budget Call Process

See page 2.



TABLE OF CONTENTS

Budget Call	2
BBMR Financials Outreach Initiatives	3
Future Challenges & Outlook	4

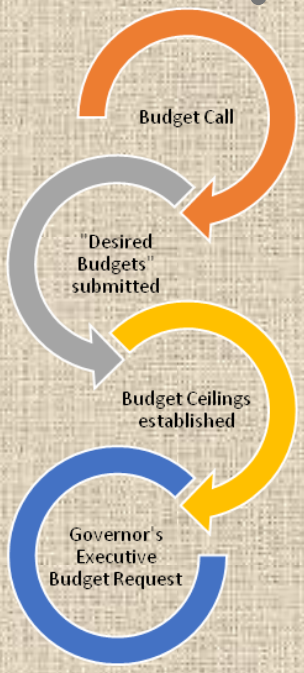
WHERE IT ALL STARTS–THE BUDGET CALL

Every fiscal year, the Government of Guam operates using revenue appropriated through that fiscal year's Budget Act. The Budget Act is what authorizes the entire government to spend money from the General Fund and several different Special Funds. But where does this process start?

The Budget Call is a memorandum that is sent out by BBMR between the months of November and December to initiate what is called the Budget Process. It is through the Budget Call that several actions are set in motion.

After this document is disseminated, departments have until the end of December to submit their "desired" budgets. BBMR reviews each "desired" budget and then creates a budget ceiling. The budget ceiling is determined using revenue projections produced by BBMR. From this revenue estimate, the Governor determines departmental budget ceilings. These are used to compile the Governor's Executive Budget Request.

The Governor's Executive Budget is then submitted to the Legislature by January 31 of each fiscal year.



DIGGING A BIT DEEPER

While at its base the Budget Call is a "call for budgets", it is also a way to standardize the format and the methodology of budgets across all line agencies. How is this done? Well, apart from standard budget forms (e.g., budget digests and staffing patterns) the Budget Call also contains guidelines, both general and fiscal year specific, for departments to follow while preparing their budgets. Some examples are as follows:

- All personnel service costs, utilities, and fixed costs must be fully covered as a priority.
- Personnel service costs should be for currently filled positions and for recruitments in progress.
- Budgeting overtime must be justified.
- All anticipated travel must be justified.
- All budget submissions should be presented at maintenance levels, exercising budgetary and fiscal discipline while maintaining critical service needs.

The final guideline listed might raise the question, "But departments submit 'desired' budgets, why then is it stated that budgets should be at maintenance level?" The key to this guideline is the phrase "critical service needs". This is the opportunity for a department to show what the requirements are to run at maximum efficiency. If what a department currently has is not enough, then the "desired" budget is a way to get the conversation started on what is "enough".

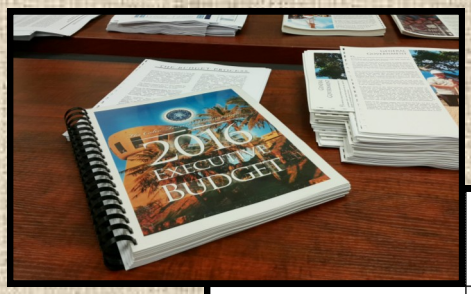
SO ARE WE DONE NOW?

Not quite. Once January 31st has passed and the Governor's Executive Budget Request has been submitted to the Legislature, the work continues. After all, the Governor's Executive Budget is a high level budget request that presents revenue projections, presents line agency programs, estimates federal funding, and proposes budget ceilings for each department.

Hold on, but the department sent in their "desired" budget what more do they need?" Remember the budget ceilings earlier? All "desired" budgets are then reworked into departmental budgets made within the Governor's ceilings. These departmental budgets are due to the Legislature by mid-March.

The Legislature then has until August 31st to pass a Budget Bill which the Governor then has 10 days to review before the bill passes into law.

Only once these steps are complete do we have the final product of a Government of Guam budget. It is this Budget Act that BBMR and departments use as a guide for ensuring that all operational, personnel, and service requirements are met throughout the fiscal year while still complying with the law.

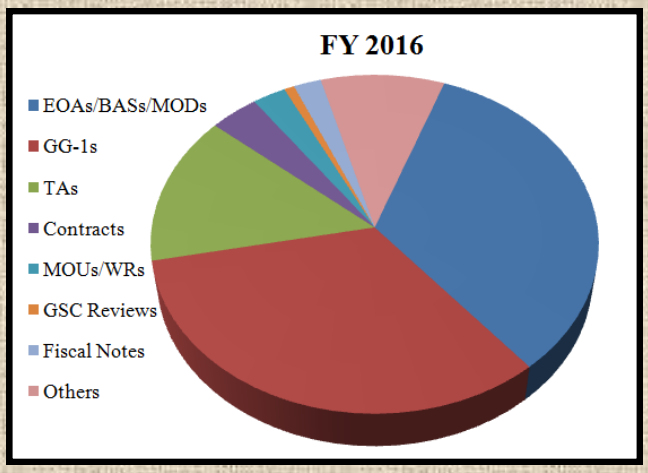


BBMR FINANCIALS

An independent audit of the Government of Guam Wide Financial Statements for the fiscal year ending 9/30/16 was conducted, resulting in an unmodified, "clean" audit opinion. The audited financial report can be located at the Office of Public Accountability website (www.opaguam.org).

	FY 2013 Expenditures + Encumbrances	FY 2014 Expenditures + Encumbrances	FY 2015 Expenditures + Encumbrances	FY 2016 Expenditures + Encumbrances
General Fund	$1,026,595	$1,056,748	$1,228,015	$1,128,985
Federal Match	$0	$0	$0	$0
Special Fund[1]	$284,844	$279,779	$289,782	$308,152
Total	**$1,311,439**	**$1,336,527**	**$1,517,797**	**$1,437,138**

[1] **Indirect Cost Fund**



Document Type	FY 2015	FY 2016
Request for Establishment of Accounts (EOAs) / Budget Allotment Schedules / Modifications	3,525	2,958
Request for Personnel Actions (GG-1s)	2,773	2,920
Request for Travel Authorizations (TAs)	1,116	1,269
Contracts	372	344
Memoranda of Understanding (MOUs) / Work Requests	283	235
Guam State Clearinghouse Grant Application Reviews	78	72
Fiscal Notes	217	194
Other Documents (e.g., Staffing Patterns, Overtime Plans, Detail Appointment Pre-Approvals)	920	872
Total	**9,284**	**8,864**



RELAY FOR LIFE PURPLICIOUS CHALLENGE

The Bureau participated in the Government of Guam Relay for Life Purplicious Challenge spearheaded by First Lady Christine Calvo in May 2016 to spread cancer awareness throughout the various government departments and agencies.



ADOPT-A-SCHOOL

The Bureau, through staff volunteers, assisted our Guam Department of Education school partner, Jose L.G. Rios Middle School, in August 2016 to prepare for the opening of the new school year, through participating in the "Adopt-A-School" program. This annual outreach endeavor included cleaning of classrooms, painting, and grounds maintenance.

FUTURE OUTLOOK

The ongoing challenge of the Bureau of Budget and Management Research (BBMR) is its ability to help defray the potential General Fund (GF) deficit at the end of each fiscal year. The primary tool for this endeavor is the fifteen percent (15%) reserve applied to all Executive Branch departments and agencies. The reserves are released on an "as needed basis" with compelling justifications. Another effective tool is the scheduling of allotment releases on a twelve (12) month basis. Should there be an urgent need to cover funding deficiencies in each allotted month, advancement of the allotments may be considered. Lastly, the Bureau reviews personnel actions, travel authorizations, contracts, etc. to maintain fiscal control throughout the year.

The short-term goals of BBMR include improving delivery of services such as quicker publication times of website content including mandated reports, updated forms, etc. Department certified budgets are one of the key reporting components in providing the public and other key stakeholders with important information. Through the progress of implementing a faster turnaround publication time, it is the hope of BBMR to maintain the continuum of government transparency thereby improving upon the public trust. In consideration of this, the Bureau is formulating strategies for staff to be involved in website maintenance and troubleshooting training, and staff and management collaboration on suggestions for future website content.

The long-term challenge BBMR faces is the need to rebuild its cadre of Budget and Management Analysts due to retirement of senior personnel — some who have invested 30+ years with the Bureau and gained essential institutional knowledge during the course of their careers. As of FY 2016, the Bureau is working on recruitment to fill these critical, vacant positions. A total of seven (7) senior Analysts have retired or separated from the Bureau in the past two years with an additional three (3) senior Analysts and two (2) Budget and Management Analyst Supervisors slated to retire in the next 3-4 years. The remaining two (2) tenured Analysts will mentor all incoming, entry-level personnel. Reconstituting personnel levels to establish qualitative staff will take time, but the effort will be worthwhile and will culminate in a new era of efficacy and innovation.

The Calvo Administration has established a tenet of fiscal accountability and economic sustainability; that, with the assistance and collaboration of the GovGuam agencies and the Legislature — and in accordance with all applicable policies, directives and mandates — the Bureau will continue working to ensure that Guam's residents receive the critical products and services that they need, but will also remain adaptable to change to overcome obstacles that may impede it from serving the public's best interests.

CONGRATULATIONS TO OUR RETIREES



Nancy "Macie" Mesa
December 25, 2015
30 Years of Outstanding Service



Dymphna "Dina" Rivera
July 22, 2016
30 Years of Outstanding Service

WE WANT TO HEAR FROM YOU!

What are your thoughts on this report? Would you like to see other information included?
Please let us know by contacting our office at (671) 475-9412.

Connect: http://www.bbmr.guam.gov/