Guam Legislature Clerks <clerks@guamlegislature.org>

M&C Fwd: Office of Public Accountability's Citizen-Centric Report Fiscal Year 2019

1 message

Speaker's Office <speaker@guamlegislature.org> Tue, Oct 27, 2020 at 11:25 AM
To: Clerks Office <clerks@guamlegislature.org>
Cc: Rennae Meno <rennae@guamlegislature.org>

10/27/20	9:21 AM	10/27/20	Citizen Centric Report Fiscal Year 2019.*	Office of Public Accountability	35GL-20-2337

Sinseru yan Minagåhet,

Office of the Speaker • Tina Rose Muña Barnes
Committee on Public Accountability, Human Resources & the Guam Buildup

35th Guam Legislature
I Mina'trentai Singko na Liheslaturan Guåhan

Guam Congress Building | 163 Chalan Santo Papa | Hagatna, GU 96910
T: (671) 477-2520/1
speaker@guamlegislature.org

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Gumai pribilehu yan konfedensia este siha na mensåhi. Solo espesiåtmente para hågu ma entensioña pat ma aturisa para unrisibi. Sen prubidu kumu ti un ma aturisa para manribisa, na'setbe, pat mandespåtcha. Yanggen lachi rinisibu-mu nu este na mensåhi , put fabot ago' guatu gi I numa'huyong gi as speaker@guamlegislature.org yan despues destrosa todu siha I kopian mensåhi. Si Yu'os ma'åse'.

---------- Forwarded message ---------
From: **Chris Rivera** <crivera@guamopa.com>
Date: Tue, Oct 27, 2020 at 9:21 AM
Subject: Office of Public Accountability's Citizen-Centric Report Fiscal Year 2019
To: Benjamin Cruz <bjcruz@guamopa.com>, Speaker's Office <speaker@guamlegislature.org>
Cc: Thyrza Bagana <tbagana@guamopa.com>

Hafa Adai Speaker Barnes and Public Auditor Cruz,

Required by Public Law 30-127, please see attached Office of Public Accountability's FY 2019 Citizen-Centric Report (CCR). We posted our CCR FY 2019 on our website at www.opaguam.org/about-us/opa-ccr for public download.

Please feel free to contact me if you have any questions.

Thank you,
Chris

--

Christian Rivera
Accountability Auditor

Office *of* Public Accountability - Guam
"Auditing for Good Governance"

Main: 475-0390 ext. **207** | Fax: 472-7951 | Hotline: 472-8348
Website @ www.opaguam.org

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OPA CCR FY 2019 FINAL.pdf
1041K

A REPORT TO OUR CITIZENS FY 2019

OFFICE OF PUBLIC ACCOUNTABILITY

SUITE 401 DNA BLDG.
238 Archbishop Flores Street
Hagâtña, Guam
96910

OUR MOTTO

AUDITING FOR GOOD GOVERNANCE

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ABOUT OPA

Public Law 21-122 created the Office of Public Accountability (OPA) in July 1992. OPA is an instrumentality of the Government of Guam (GovGuam), independent of the executive, legislative, and judicial branches.

OUR MISSION

To ensure public trust and good governance in the Government of Guam, we conduct audits and administer procurement appeals with objectivity, professionalism, and accountability.

OUR VISION

The Government of Guam is a model for good governance with OPA leading by example as a model robust audit office.

OUR CORE VALUES

Objectivity
To have an independent and impartial mind.

Professionalism
To adhere to ethical and professional standards.

Accountability
To be responsible and transparent in our actions.



WHO IS OUR PUBLIC AUDITOR?

BENJAMIN J.F. CRUZ, J.D.

Public Auditor Cruz was sworn into office on September 13, 2018. Prior to becoming Public Auditor, Mr. Cruz was the Speaker of the 34th Guam Legislature and served as Chief Justice of the Supreme Court of Guam from 1999 to 2001.

ROLE OF THE PUBLIC AUDITOR

QUALIFICATIONS

- Certified Public Accountant,
- Attorney at Law, or
- At least five years of experience in government budgets

PUBLIC AUDIT

The Public Auditor shall, annually, audit or cause to be conducted post audits of all the transactions and accounts of all departments, offices, corporations, authorities, and agencies in all of the branches of GovGuam.

OUR SERVICE TO THE PEOPLE OF GUAM

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

We seek to serve the public interest by providing the Governor of Guam, the Guam Legislature, and the People of Guam with dependable and reliable information, unbiased analysis, and objective recommendations on how best to use government resources in support of the well-being of our island and its constituents.

WHAT WE DELIVER TO OUR STAKEHOLDERS

OPA conducts performance audits, hears and decides procurement appeals, remains involved in monitoring and oversight over financial audits, and responds to legislative mandates to either audit specific government-related activities, be a member of commissions and committees, submit periodic reports, and receives various records from GovGuam agencies.

FINANCIAL AUDIT
We provide oversight on GovGuam entities' financial statements audit.

PERFORMANCE AUDIT
We provide independent, nonpartisan, accurate and timely assessments of GovGuam's financial and operating activities in accordance with Yellow Book.

PROCUREMENT APPEALS
We hear and render decisions on GovGuam procurement appeals

LEGISLATIVE MANDATES
We also respond to legislative mandates and requests to review other government-related activities.

TEAM OPA

10 As of December 2019, OPA had 10 auditors.

7 Collectively, seven OPA auditors attained professional certification.

3 Three OPA auditors hold a Master's Degree.

We are a member of the following professional organizations.

DID YOU KNOW?
The first Public Auditor election took place in November 2000.

ISSUED OCTOBER 2020

Let us know how we can improve our CCR, email Chris.

Tel: (671) 475-0390
Fax: (671) 472-7951
Hotline: (671) 472-8348
Email: admin@guamopa.com
Website: www.opaguam.org

Hover over icons for attributions.

Doc. No. 35GL-20-2337.*

HOW ARE WE DOING

ROAD TO 2023

In 2019, we released our Strategic Plan 2019 through 2023, Stakeholders Engagement Strategic Plan 2019 through 2023, and the Pacific Association of Supreme Audit Institutions' (PASAI) Performance Measurement Framework (PMF) assessment of our office on a holistic approach.

Although we continually work towards achieving our goals and in 2023, we can definitely assess how far we have improved from today, the PMF assessment provides us now where we can improve in our operation. We are working on this.

BY THE NUMBERS

NO. OF REPORTS WE ISSUED THIS YEAR

9 PERFORMANCE AUDITS
We identified a total financial impact of $51.5M from our performance audits.

11 PROCUREMENT APPEALS
The dollar values of these appeals amounted to $204M.

23 FINANCIAL AUDITS OVERSIGHT
All 23 GovGuam entities' financial statements audit reports were released before or by the end of June 2019 compared to the previous year.

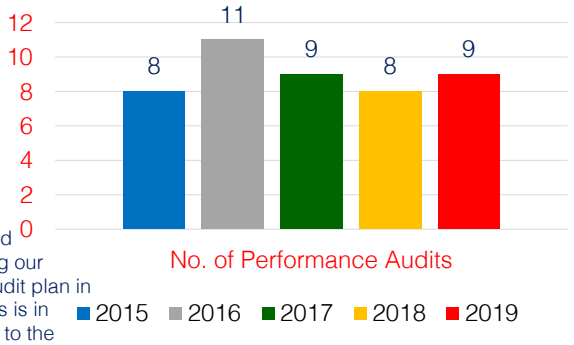
PMF ASSESSMENT

Selected data points for each Domain.

Low scores will highlight opportunities for improvement, whereas high scores will be sign of good practices. Scoring is on a 1 to 4 point system, 1 being the lowest.

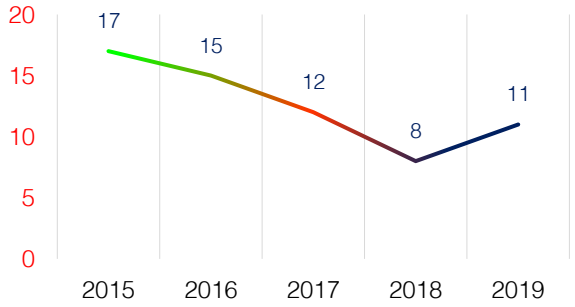
Indicator	Indicator Name	Overall Score
Domain A	Independence Framework	
SAI-1	Independence of OPA	2
SAI-2	Mandates of OPA	2
Domain B	Internal Governance and Ethics	
SAI-5	Outsourced Audits	2
SAI-6	Leadership and Internal Communication	3
SAI-8	Audit Coverage	3
Domain C	Audit Quality and Reporting	
SA-12	Performance Audit Standards and Quality Management	3
SAI-14	Performance Audit Results	3
Domain D	Financial Management, Assets and Support Services	
SAI-21	Financial Management, Assets and Support Services	3
Domain E	Human Resources and Training	
SAI-22	Human Resource Management	2
SAI-23	Professional Development and Training	1
Domain F	Communication and Stakeholder Management	
SAI-25	Communication with the Media, Citizens and Civil Society	2

No. of Performance Audit Reports Issued in the Last Five Years



We started publishing our annual audit plan in 2019. This is in response to the PMF assessment.

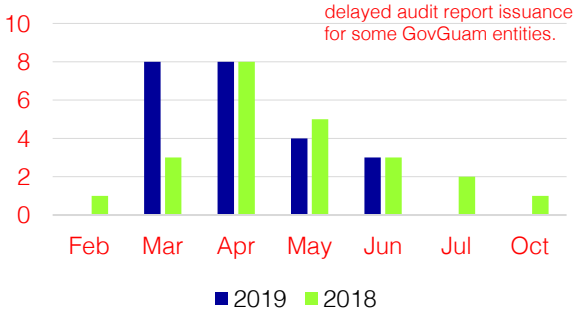
No. of Procurement Appeals Filed in the Last Five Years



Our office received eleven procurement appeals, but rendered nine decisions in CY 2019.

No. of Procurement Appeals

No. of Financial Audit Reports Issued Monthly Comparison

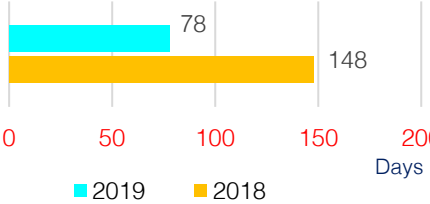


OPA has been advocating for GovGuam entities audits financial statements issuance six months after the close of the fiscal year or March 31.

In 2019, we commend eight GovGuam entities for issuing their FY 2018 financial audits by March 31, 2019.

DID YOU KNOW?
The Charter Schools are the new addition to our annual financial audit oversight.

Average No. of Days Procurement Appeals Resolved



We strive to resolve appeals within 90 to 120 days from the time of filing.

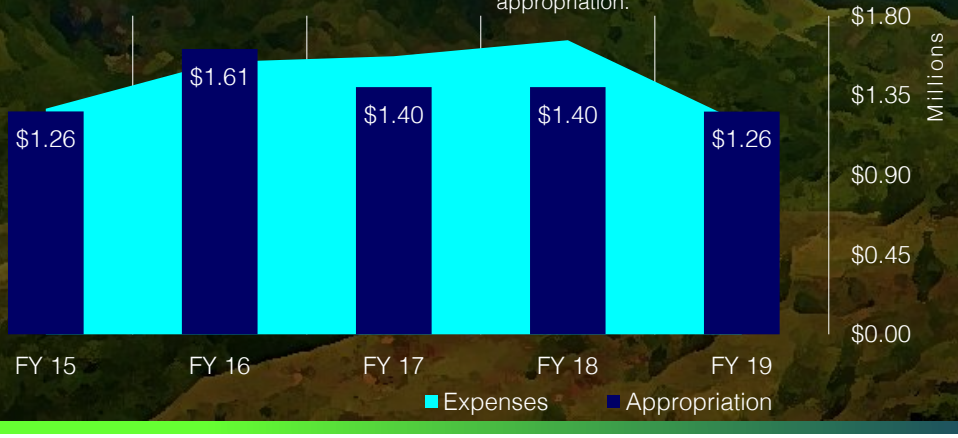
We met this goal in 2019.

Doc. No. 35GL-20-2337.*

FINANCIAL INFORMATION

5-year Trend Appropriation vs. Expenses (audited figures)

Our cash reserves in FY 2018 helped pay for the shortfall in our GovGuam appropriation.



TOP 3 PAYMENTS IN FY 2019

$968K PERSONNEL

$122K OFFICE RENT

$81K CONTRACTUAL SERVICES

Fiscal Years 2019 and 2018 Comparative

OUR FINANCES

Visit our website for a detailed financial information.

Where we received our money	FY 2019	FY 2018	
Federal Grants	$ -	$ 69,286	↓
Interest Income	3,118	3,515	↓
Other Income	-	8,747	↓
How much money we received	3,118	81,548	↓
Where we spent our money			
Salaries	732,755	997,250	↓
Benefits	234,963	328,937	↓
Rent	122,259	122,259	-
Travel	-	-	-
Training	7,248	11,179	↓
Supplies & Other	11,889	3,286	↑
Contractual Services	81,414	125,832	↓
Utilities and Telephone	3,300	2,694	↑
Equipment and Furniture	1,271	507	↑
Amount we used on our operation	1,195,098	1,591,943	↓
Amount left from our operation	(1,191,980)	(1,510,396)	
Other sources of money or uses			
GovGuam Appropriation	1,258,365	1,396,898	↓
Federal Grant Expenses	-	(69,286)	↓
Other Expense	-	(1,005)	↓
	1,258,365	1,326,607	
Leftover money, end of fiscal year	$ 66,385	$(183,789)	↑

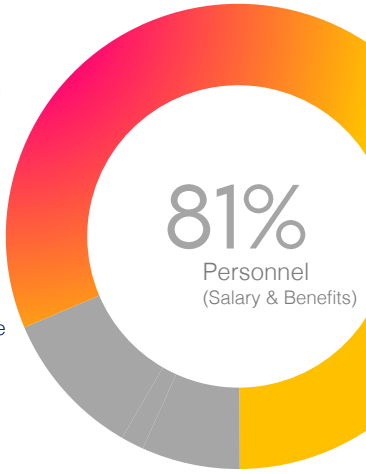
We received $138,533 less in GovGuam appropriations compared to FY 2018 of $1,396,898. GovGuam appropriation is our primary source of revenue to fund our operations.

Although we had less appropriations in 2019, we reduced our expenses by $396,845 from $1,591,943 the previous year to $1,195,098.

Major Expense FY 19

- Rent 10%
- Personnel
- Contractual Services 7%
- Other Expenses 2%

Other Expenses include:
- Equipment & Furniture
- Utilities & Telephone
- Supplies & Other
- Training



DID YOU KNOW?
Public Auditor Cruz presided on some procurement appeal hearings which saved us $34K.

Major Revenue FY 19

- Interest Income
- GovGuam Appropriation

Our revenues virtually come from GovGuam appropriations.



76K TAP GRANT

The United States Department of Interior Office of Insular Affairs awarded our office a Technical Assistance Program (TAP) grant of $76K for training and internship program.

This federal grant gives us the funding capability to allow our employees to continue training with the best in the industry.

WHAT'S AHEAD

INDEPENDENCE

Our office is established in Title 1 Guam Code Annotated Chapter 19. This legislation provides the appointment, term, cessation of functions of the Public Auditor, and the independence of the decision-making powers. Basically, the Guam Legislature can interfere with our office's independence.

In our Strategic Plan 2019 through 2023, we are addressing this issue. Without legal protection of our independence from the Organic Act of Guam, this jeopardizes our existence to be objective, impartial, and independent. We are seeking support from a member of the U.S. Congress, lobby group, civil society or professional institution to amend the law that no future legislation shall pass that impairs our independence.

FIVE-YEAR STRATEGIC PLAN 2019 - 2023

OUTPUTS

1. PROTECT OPA'S INDEPENDENCE
2. DELIVER QUALITY AUDIT REPORTS THAT ARE TIMELY AND IMPACTFUL
3. DELIVER QUALITY DECISIONS ON PROCUREMENT APPEALS
4. ENGAGE EFFECTIVELY WITH STAKEHOLDERS

STRONGER COMMUNICATION WITH STAKEHOLDERS

In PASAI's PMF report on a holistic assessment of our office's operations, we poorly received points for Domain F: Communication and Stakeholder Management.

As a measure to beef up our communication with our stakeholders, we released in February 2019 our Stakeholders Engagement Strategic Plan 2019 through 2023 which immediately came into effect.

In this report, we identified plans how we are going to engage with our external and internal stakeholders. By applying this plan, it will enable appropriate notification of OPA's key stakeholders of audit activities on a regular and timely basis.

30TH ANNUAL CONFERENCE

APIPA 2019

In 2019, our office hosted the 30th Association of Pacific Islands Public Auditors (APIPA) Annual Conference from August 26 to 30.

More than 450 Pacific Island Nation participants, including representatives from Fiji and New Zealand, attended the one week event.

This will be Guam's fifth time hosting the APIPA conference since its inception in 1989 having previously hosted in 1996, 2002, 2009, and 2015. The annual conference is rotated among its ten-member nations.

Support from the annual conference were provided by the U.S. Department of Interior Office of Insular Affairs, Office of the Inspector General, the Pacific Islands Training Initiative, and Graduate School USA.

Attending conferences such as APIPA help us fulfill the required Continuing Professional Education (CPE) under auditing standards.

DID YOU KNOW?

OPA is ahead among its peers for creating a successful strategic plan.







KEY OBJECTIVES

TO MEET OUR KEY STAKEHOLDERS NEEDS

GUAM LEGISLATURE
Improve the understanding of OPA mandates and roles.

OPA EMPLOYEES
Improve staff knowledge and understanding of OPA mandates as the engage with stakeholders.

AUDITED ENTITIES
Improve the understanding of OPA mandates and roles.

PEOPLE OF GUAM VIA MEDIA
Engage the media to distribute accurate message contents of OPA reports to the public.

AUDITING FIRMS
Foster professional relationship and open lines of communications with contracted audit firms.