



OFFICE OF PUBLIC ACCOUNTABILITY
Doris Flores Brooks, CPA, CGFM
Public Auditor

May 30, 2014

Honorable Vicente C. Pangelinan
Chairman, Committee on Appropriations, Public Debt, Legal Affairs, Retirement,
Public Parks, Recreation, Historic Preservation and Land
32nd Guam Legislature
Hagatna, Guam 96910

Re Fiscal Year 2015 Budget Request

Dear Senator Pangelinan and Committee Members:

We respectfully request approval of our FY 2015 lump sum budget request of \$1,472,243 together with a number of staff initiatives that would give Office of Public Accountability (OPA) greater independence and flexibility in staff compensation and hiring.

For the past several years OPA has faced staffing challenges in retaining senior auditors. Just last week another Audit Supervisor, Franklin Cooper Nurse, tendered his resignation to become the Chief Internal Auditor at the Department of Education. Frank has over ten years experience with OPA. Frank's departure leaves just two Audit Supervisors, who each have ten years of experience with OPA. For the remaining ten staff auditors, one just completed five years with OPA and the newest auditor has less than two months with OPA. The average audit experience of these ten staff auditors is less than two years each.

The gap in years of experience between ten years to less than two years is reflective of experienced auditors leaving mainly to autonomous agencies for higher pay. The average pay increase for those who have left OPA is greater than \$16,000. The highest salary increase was over \$20,000 and the lowest \$5,000.

Even the newly implemented 2014 Competitive Wage Act (Hay Study) does not address the gap in salaries offered by autonomous agencies. Accordingly, OPA has appealed the Hay Study implementation to the Department of Administration (DOA) and submitted its own compensation review. The compensation study was prepared by the Leading Edge.

Given the present staff compensation, we estimate the cost of implementation of our proposal to be under \$100,000. This is the primary reason for the increase in OPA's 2015 budget request. Accordingly we request Legislative approval to implement OPA's compensation study at the same time that the Hay Study goes into full effect.

Another staffing challenge is the inordinate amount of time to hire in the classified service due to the complex and bureaucratic hiring procedures of DOA. As an example, it took six months to hire two accounting majors who graduated from the University of Guam in December 2012. These two graduates who came on board in June 2013 completed one semester of the internship program with OPA as part of their accounting requirements. DOA, however, gave them no credit on their application for the UOG internship.

OPA is but one of over 40 agencies that DOA Human Resource Division attends to. We recognize that DOA can be overwhelmed with staffing requirements from these agencies. However, by law OPA is not a line agency of the Government of Guam but an instrumentality separate and apart from the Executive, Legislative and Judicial branches. Accordingly OPA seeks greater autonomy and flexibility to hire staff conditionally subject to post review and approval by the Civil Service Commission. The CSC's post-audit responsibility is set forth at 4 G.C.A. § 4403(e).

Another staffing request is to restore authorization to the Public Auditor to hire a Deputy and private secretary in the unclassified service. Every government agency including the elected Attorney General can hire a deputy and private secretary. The Elected Attorney General in fact has five deputies and by law can create more if he so desires. OPA has none. Previously when all of OPA's staff were in the unclassified service, Ms. Yuka Hechanova was Deputy until she left the office in 2009 to join the Guam Waterworks Authority as the Internal Auditor for significantly higher pay.

In January 2013, I announced the appointment of Ms. Rodalyn Gerardo to be Deputy. Before the paperwork was processed, Vice Speaker Cruz informed me that I had no authority to hire a Deputy in the unclassified service. Accordingly OPA's seeks restoration of the authority to hire a Deputy and a private secretary in the unclassified service similar to all other government agencies and the elected Attorney General. This restoration of staffing authority would be consistent with 4 G.C.A. § 4402(a)(5) and (6).

An ancillary staffing request is to hire a staff person on a limited term or part-time basis. We are in need of a part time office person for filing and other related office matters. Presently OPA has just one administrative person to handle administrative function, including those related to the procurement appeals process. We explored the possibility of hiring through the Department of Labor or Agency for Human Resources Development. In summary we could not hire their clients because of their requirement for full time employment upon completion of the program. Given our present workload, OPA does not require another administrative person on a full time basis but does need part-time assistance. [Regarding part-time employment, *see* 4 G.C.A. §§ 4102(a)(6) and 4103(b) and (e).

In FY 2013, OPA was the only elected office not exempted from the Bureau of Budget and Management Research's (BBMR) allotment control. This exemption was restored in

Honorable Vicente C. Pangelinan

May 30, 2014

Page 3

FY 2014. We respectfully request to again be granted exemption from BBMR allotment control for FY 2015.

We also request approval to carry over personnel lapses from FY 2014 into FY 2015 budget appropriation, which has been allowed in previous fiscal years except FY 2013.

To recap in addition to our lump sum budget request of \$1,472,243 we respectfully request the following:

1. Approval of OPA's Compensation Study with implementation date the same as the Hay Study;
2. Approval to hire staff conditionally subject to post audit review and approval by CSC;
3. Restoration of the authority to hire a Deputy and private secretary in the unclassified service;
4. Hire limited term or part-time staff for filing and other office-related matters;
5. Exemption from BBMR allotment control, similar to the exemption afforded other elected offices and the Judiciary; and
6. Approval of carry over of personnel lapses from FY 2014 into FY 2015 budget appropriation.

With respect to our budget request, we again ask the Legislature to give the elected Public Auditor the same flexibility and authority that has been granted to the elected Attorney General, the elected Mayors, the University of Guam, Guam Community College, and the Judiciary which are lump sum flexibility, exemption from BBMR allotment control, and carryover of any unused funding.

Si Yu'os Ma'ase and Senseramente,



Doris Flores Brooks, C.P.A., C.G.F.M.,
Public Auditor of Guam