



OFFICE OF THE PUBLIC AUDITOR
Doris Flores Brooks, CPA, CGFM
Public Auditor

April 22, 2010

RECEIPT ACKNOWLEDGED

MEMORANDUM

To: Heads of Executive Departments and Agencies
Autonomous Entities
Judiciary of Guam
Public Corporations
Boards and Commissions

By: _____
(Signature)
Tomas C. Meno
(Print Name)

(Department)
Date: 4/22/10 Time: 2:40

From: Doris Flores Brooks, CPA, CGFM
Public Auditor

Doris Flores Brooks

Subject: Notification of Evaluation of the government of Guam's Oversight and Implementation of Programs Funded through the American Recovery and Reinvestment Act of 2009.

At the request of the Recovery Oversight Office (ROO), Office of the Inspector General for the U.S. Department of the Interior (DOI-OIG), the Office of Public Accountability is conducting an evaluation of the government of Guam's implementation of American Recovery and Reinvestment Act of 2009 (ARRA) funded programs. DOI-OIG will be responsible for consolidating your responses into one final report. This evaluation is intended to provide an overall review of how effectively the government of Guam and the other governments are managing ARRA funds and provide suggestions for improvement now while the programs are still being implemented.

Attached are two sets of evaluation questionnaires prepared by the ROO, one for Project Verification and one for Procurement. Several entities will be selected to participate in this evaluation, and if selected, your entity will be required to complete the questionnaires. However, those entities not selected for the evaluation should use the questionnaires as a guide to properly manage ARRA funds.

Should your entity be selected for this evaluation, we will be contacting you to schedule a meeting to discuss other requirements in further detail. The team designated for this evaluation is Audit Supervisor Lourdes R. Perez and Auditor Jerrick Hernandez. Please provide notice of this evaluation to all appropriate staff members and designate an official who will serve as a point of contact. Should you have any questions, please contact Lourdes R. Perez or Jerrick Hernandez at 475-0390 ext. 210/202. Thank you for your cooperation.

Attachments: Project Verification Questionnaire
Procurement Questionnaire

cc: Patrick Morrissey, DOI-OIG, Albuquerque, NM

Project Verification

Objective:

This questionnaire is intended to be performed by selecting a limited number of Recovery Act programs (one program each grant from 2 to 3 different agencies with at least one project involving construction) from different Federal agencies. The respective administrator of each the programs selected will be interviewed to determine the current status of the respective programs and any issues the grantee agency may have with regard to their grant.

Questionnaire	REMARKS
<p>Government: _____</p> <p>Government Agency: _____</p> <p>Federal Agency: _____</p> <p>Recovery Act Program: _____</p> <p>Program Objective: _____</p> <p>Award and Completion Dates: _____</p> <p>Award Amount: _____</p> <p>Program Administrator's Name: _____</p> <p>Administrator's Telephone: _____</p>	
<p>(1) Did you receive any training regarding the Recovery Act concerning reporting, accountability, transparency, and procurement requirements? From whom and how was the information presented?</p> <p>(2) Was any guidance provided by the Federal agency regarding Recovery Act programs and how to apply for the respective programs? How was the information provided and was it helpful?</p> <p>(3) What was the process for preparing and getting your application prepared and approved prior to submitting it to the Federal agency?</p> <p>(4) Did the program terms and conditions stipulate how Recovery Act funds were to be requested and deposited once received? Has this process been followed? Have you</p>	

verified that funds received were deposited as required by the terms and conditions?

- (5) Given the objective of the program, how are the funds to be expended (e.g, equipment, vehicles, contractual personal services, or construction services)? Did you prepare an acquisition plan of how and when the items and services were to be procured? Is your budget office restricting or allotting your program's funding so that you cannot procure the services, equipment and supplies to effectively implement the program? If so, please explain.
- (6) What was the process followed for each category of procurement? Do you know if it was sole-source or competitive? Are you aware of any procurement issues with your Recovery Act program or any other Recovery Act program?
- (7) What expenditure reports do you use to monitor your program's progress? Based on these reports do the expenditures reflect the program expenses that have been incurred? Have expenditures been charged to your program that do not directly relate to your program? If so what were they and did you question them with the finance office?
- (8) Has anyone from your government's Recovery Act oversight office reviewed the progress of your program during a site visit? If so, what was the result?
- (9) Does your program have an implementation plan with milestones? Where are you currently with respect to that plan? Do you have pictures or reports documenting milestone completion? Have you encountered any problems?
- (10) Has your program created any jobs? If so, have you received guidance on how to determine and report the number of jobs? Has the guidance been useful?
- (11) What is the process you follow for entering the quarterly reporting information? If you are unclear about what to enter or report, who do you go to on-island for guidance and clarification? In your opinion, is your reporting consistent with what other Recovery Act program administrators are reporting?
- (12) Are you aware that you and your staff as well as contractors and their staff can report waste, fraud, and

abuse with Recovery Act programs to the Office of the Inspector General's Office and be protected against retaliation from your government boss or contractor? If you are aware of this protection, how did you become aware of it? Does your government have a hotline to report Recovery Act fraud? (Ref: Recovery Act Section 1553)

(13) Does your program have any sub-recipients as a contractor or autonomous agency? If so, please identify the entity and what they do as a sub-grantee.

(14) As the prime recipient how do you ensure that the sub-Recipient complies with all the Recovery Act oversight requirements?

Procurement

Objective:

This questionnaire is intended to identify what action(s) the chief procurement officer is taking to ensure that the procurement of contract services (consultants, professional services, and road and building construction and repair), equipment, and supplies for Recovery Act funded programs complies with the Act provision to award competitive, fixed-price contracts (Section 1554).

Questionnaire

REMARKS

Government: _____

Procurement Agency Name: _____

Chief Procurement Officer: _____

Chief Procurement Officer's Telephone: _____

(1) What is the name of your codified procurement regulations?

(2) Are you aware of the Recovery Act funding provided to your government and emphasis on competitive procurement. Are you able to identify if a purchase requisition is for a Recovery Act program? Please explain
(Ref: Recovery Act Section 1554)

(3) Do you see any conflict between the Recovery Act requirement for competitive procurement and the government's procurement regulations? Will your staff be able to handle the greater procurement workload as Recovery programs are implemented? Please explain.

(4) What sort of outreach or contact have you had with agency directors about planning procurements and submitting purchase requisitions with sufficient lead time so that you and your staff can effectively procure competitively?

(5) Have you received any pressure to issue purchase orders or contracts for Recovery programs on a sole-source basis or to approve procurements after the fact? How have these situations been handled?

(6) Are you aware of special whistleblower protection provisions extending to local government employees and contractors? If you identify waste fraud and abuse with Recovery Act funds to whom would you report such

instances? (*Ref: Recovery Act Section 1553*)

(7) Are the Recovery Act funded procurements actions such as request for proposals (RFPs) and awarded contracts publically posted in the local newspaper(s), or on a local government website.