



DIPATTAMENTON I KAOHAO GUINAHAN CHAMORRO
DEPARTMENT OF CHAMORRO AFFAIRS

Honorable Felix P. Camacho
Governor of Guam

Sylvia M. Flores
Acting President

Honorable Michael W. Cruz
Lt. Governor of Guam



May 7, 2010

Department of Chamorro Affairs (DCA)
Financial Audit RFP: DCA2010-002
Responses to Pre-Proposal Conference and Questions

1. **Question:** Why are you going out for proposal? Why going back to FY 2009?
Answer: A Financial Audit is required per DCA's enabling legislation, Title 5 of Guam Code Annotated, Chapter 87. Refer to the Guam Compiler of Law website at <http://www.justice.gov.gu/CompilerofLaws/gca.html> for DCA's enabling act. It was determined that FY 2009 will be the starting point for the annual financial audit.
2. **Question:** What is DCA in the hierarchy of the government of Guam?
Answer: DCA is a line entity under the executive branch of the government of Guam.
3. **Question:** Is DCA wrapped up in the overall government of Guam audit?
Answer: Yes, the appropriated funds of DCA are reported in the annual audit of the government of Guam.
4. **Question:** Has the numbers in the system been looked at before in the government of Guam annual audit?
Answer: While DCA's appropriated funds are in the government of Guam annual audit, DCA has five non-appropriated funds (checking accounts), which are not part of the annual government of Guam audit. Unaudited quarterly financial reports of these non-appropriated fund accounts can be viewed at DCA's website.
5. **Question:** What accounts will the audit cover?
Answer: Appropriated and non-appropriated funds.
6. **Question:** Can the FY 2009 & FY 2010 audit be simultaneously conducted?
Answer: Yes.
7. **Question:** Does the audit require the preparation of a balance sheet, income statement, statement of cash flow, and notes?
Answer: Yes.
8. **Question:** How many financial personnel are at DCA?
Answer: There is an Administrative Services Officer who is responsible for DCA financials, and two Administrative Assistants.

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9. **Question:** Does DCA have any concerns working with an off-island firm?
Answer: No, DCA does not have a problem working with an off-island firm.
10. **Question:** How soon after September 30, does DCA expect to have their books closed?
Answer: Within 30 days after the end of the fiscal year.
11. **Question:** Are you expecting any federal funds?
Answer: No federal awards were received in FY 2009. DCA is currently in the process of writing and applying for grants.
12. **Question:** Are the accounting records in one central location or scattered in several locations?
Answer: The Administrative Officer has all the records in a central location, but copies are also available at the respective divisions, which are all in close proximity.
13. **Question:** Are the auditors expected to present the financial audit before the DCA Board?
Answer: Yes.
14. **Question:** Would it be possible to have the formal presentation to the Board be through video/tele-conference?
Answer: Yes.
15. **Question:** For the RFP evaluation, is it a typical evaluation with technical evaluation first and then price?
Answer: Yes, the RFP process will first evaluate the un-priced technical proposals. Once the evaluation committee determines the ranking of the un-priced technical proposals, negotiation will commence with the most qualified proposer.
16. **Question:** Can you direct us to the website where you have published your September 30, 2009 balance sheet?
Answer: www.dca.guam.gov
17. **Question:** Did the DCA implement all of the findings from the reports issued by the OPA (04-06 and 04-11)?
Answer: Yes.
18. **Question:** Has there been a review of internal controls over the accounting systems performed in the prior three years?
Answer: Yes; an internal review.

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19. **Question:** What are you looking for in an accounting firm that performs the audit?
Answer: Teamwork, timeliness, good communication, and good working relationship.
20. **Question:** Will the accounting department prepare all schedules and reports requested by the auditors?
Answer: Yes.
21. **Question:** Does DCA perform monthly reconciliations of the general ledger accounts?
Answer: For all non-appropriated (checking accounts), DCA prepares monthly bank reconciliations using the QuickBooks accounting software. For the appropriated funds, DCA works with the Department of Administration on ensuring that all general ledger accounts are reconciled using the government of Guam AS400 Financial Management System.
22. **Question:** When was the last fixed asset (property, plant & equipment) listing updated and a fixed asset inventory performed?
Answer: Fiscal Year 2003.
23. **Question:** Does the DCA have any outstanding long term debt as of September 30, 2009?
Answer: No.
24. **Question:** Has fraud occurred by employees of DCA during the past three years?
Answer: No.
25. **Question:** Who will prepare the financial statements and footnotes?
Answer: The independent auditor will prepare and finalize financial statements and footnotes in conjunction with the Administrative Services Officer of DCA.
26. **Question:** Will DCA include MD&A in their report?
Answer: Yes.
27. **Question:** How much has the DCA budgeted for the 2009 and 2010 audits?
Answer: While DCA did not initially budget for the 2009 and 2010 audits, we are in the process of securing funding.

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