



OFFICE OF THE PUBLIC AUDITOR

July 26, 2007

Honorable Ben C. Pangelinan
Senator 29th Guam Legislature
324 W. Soledad Ave. Suite, 101
Hagatna, Guam 96910

Dear Senator Pangelinan:

This is in response to your July 25th letter concerning the release of the financial audit of the Territorial Highway Fund (THF).

As it is the responsibility of OPA to oversee and monitor all financial audits contracted to independent auditors we have been working with and awaiting Deloitte and Touché's final draft audit report of the THF. According to Daniel Fitzgerald, partner in charge of the THF audit, he has been awaiting a decision from the administration as to whether the withdrawal of the \$4 million from the THF construction fund would jeopardize existing highway contracts. The resolution of this matter was provided July 25, 2007, according to Mr. Fitzgerald. As such Deloitte will now be able to finalize the audit. We expect to receive the final draft from Deloitte on or before July 27, 2007. Upon receipt we should be able to finalize our review of the THF audit and release it sometime next week.

Since I became Public Auditor it has been my expressed goal to have all financial audits issued on or before the June 30th deadline and preferably much earlier. For FY 2006 nearly all audits were issued by that date with two exceptions, GHURA and the THF. Issuing the audits earlier than June 30 continues to be a challenge due to the weak accounting infrastructure in many of the government entities.

I want to assure you that OPA will continue to work with audited entities to ensure timely release of financial audits. Early release of these audits assists not only the audited entities but also federal grant administrators, the Legislature and the Administration as to the financial condition of these entities and provides the entities sufficient time to begin corrective action on audit findings.

Sincerely,

Doris Flores Brooks, CPA, CGFM
Public Auditor

Cc: All Senators
Daniel Fitzgerald

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