

I Mina'trentai Singko Na Liheslaturan Guåhan
BILL STATUS

BILL NO.	SPONSOR	TITLE	DATE INTRODUCED	DATE REFERRED	CMTE REFERRED	PUBLIC HEARING DATE	DATE COMMITTEE REPORT FILED	FISCAL NOTES	NOTES
316-35 (COR)	Therese M. Terlaje	AN ACT TO AMEND §1909(a) OF TITLE 1, CHAPTER 19, AND TO AMEND §22203 OF TITLE 5, CHAPTER 22, GUAM CODE ANNOTATED RELATIVE TO INCREASING TRANSPARENCY AND ACCOUNTABILITY BY REQUIRING EARLIER SUBMISSION OF FINANCIAL STATEMENTS AND FINANCIAL AUDITS.	3/13/20 3:42 p.m.						

I MINA'TRENTAI SINGKO NA LIHESLATURAN GUÅHAN
2020 (SECOND) Regular Session

Bill No. 316 -35 (COR)

Introduced by:

Therese M. Terlaje 

**AN ACT TO *AMEND* §1909(a) OF TITLE 1, CHAPTER 19,
AND TO *AMEND* §22203 OF TITLE 5, CHAPTER 22,
GUAM CODE ANNOTATED RELATIVE TO
INCREASING TRANSPARENCY AND
ACCOUNTABILITY BY REQUIRING EARLIER
SUBMISSION OF FINANCIAL STATEMENTS AND
FINANCIAL AUDITS.**

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1 **BE IT ENACTED BY THE PEOPLE OF GUAM:**

2 **Section 1. Legislative Findings and Intent.** *I Liheslatura Guåhan* finds
3 that providing timely quality audits for citizens and government officials to make
4 informed decisions will strengthen good governance, transparency and
5 accountability and aid in avoidance of deficit spending. *I Liheslatura* further finds
6 that audits for prior fiscal years are due in June 30 of each year; however, earlier
7 completion of the annual audits will help to address deficit on a more timely basis,
8 will allow relevant or necessary adjustments to the current fiscal year budget, and
9 will serve to better inform budget submission and deliberations for the subsequent
10 fiscal year. It is therefore the intent of *I Liheslatura* to require that agency financial
11 statements be submitted no later than 90 days of the end of the preceding fiscal year
12 in order to allow for completion of financial audits by March 31.

13 **Section 2.** Subsection (a) of §1909 of Title 1, Chapter 19, Guam Code
14 Annotated, is hereby *amended* to read:

1 “§1909. Duties of Public Auditor. The Public Auditor shall have the following
2 powers and duties:

3 (a) To direct and supervise all financial and management audits conducted
4 pursuant to § 1908 of this Chapter so that annual audits are completed
5 for the prior fiscal year no later than ~~June 30~~ March 31. The Public
6 Auditor shall have the power in his discretion to require each agency to
7 submit within ninety days after the end of the preceding fiscal year to
8 the Office of the Public Auditor, I Maga'hagan Guåhan, and I
9 Liheslaturan Guåhan a copy of a financial statement, showing, in such
10 form and detail as the Public Auditor may require, the amount and
11 character of the assets, and liabilities of such agency at the end of its
12 preceding fiscal year.”

13 **Section 3.** §22203 of Title 5, Chapter 22, Guam Code Annotated, is hereby
14 *amended* to read:

15 “§22203. Duties of Director.

16 The Director shall, with due regard for the function of the specific
17 agencies concerned, organize and operate the accounting system on a fund
18 basis with a self-balancing set of accounts, recording cash and/or other
19 resources together with all related liabilities, obligations, reserves and equities
20 which are segregated for the purpose of carrying on specific activities or
21 attaining certain objectives; establish an accounting system which provides
22 budgetary control over general governmental revenues and expenditures;
23 determine fairly and with full disclosure the financial position and results of
24 financial operations; show that all applicable legal provisions have been
25 complied with; establish various types of funds as are necessary and as
26 required by law; shall account in the General Fund all financial transactions
27 not properly accounted for in another fund; shall account in the Special

1 Revenue Funds all proceeds of specific revenue sources or to finance specific
2 activities as required by law; shall account in the capital improvements funds
3 all receipts and disbursements of monies used for the acquisition of capital
4 facilities; shall account in other funds consistent with legal and operating
5 requirements; classify accounts to insure compliance with budgetary
6 provisions; provide a basis for financial and administrative control, furnish
7 data required for financial statements and provide a basis for comparison with
8 similar data for other periods, etc.; establish standards, procedures and
9 techniques for a central accounting system; conduct a continuing review of all
10 accounting operations to effect improvements in accordance with current
11 accounting practices; establish standards for the preparation of financial
12 statements within 90 days of the end of the preceding fiscal year and other
13 reports as are necessary; maintain all Federal grant award funds including
14 maintenance of encumbrance and expenditure; and obtain reports from all
15 departments and agencies as are required for the effective administration of a
16 central accounting system; and take all actions necessary to ensure that an
17 adequate public education is available to every public school student.”

18 **Section 4. Severability.** If any provision of this Act or its application to
19 any person or circumstance is found to be invalid or contrary to law, such invalidity
20 *shall not* affect other provisions or applications of this Act that can be given effect
21 without the invalid provision or application, and to this end the provisions of this
22 Act are severable.