

TENTH GUAM LEGISLATURE
1969 (FIRST) Special Session

CERTIFICATION OF PASSAGE OF AN ACT TO THE GOVERNOR

This certifies that Bill No. 221(1-S), "An Act making appropriation for review and improvement of Government Accounting Practices", was on the 17th day of February, 1969, duly and regularly passed.



JOAQUIN C. ARRIOLA
Speaker

ATTESTED:

/s/ James T. Sablan

JAMES T. SABLAN
Legislative Secretary

This Act was received by the Governor on this 20th day
of Feb., 1969 at 3:25 o'clock 7th .M.

/s/ DENVER DICKERSON

DENVER DICKERSON
Secretary of Guam

APPROVED:

/s/ DENVER DICKERSON

Governor of Guam

DATED: ^{Acting} Feb. 28, 1969
11:00 a.m.

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TENTH GUAM LEGISLATURE
1969 (FIRST) Special Session

Bill No. 221(1-S)

Introduced by

Committee on Rules, by request
of the Governor in accordance
with Section 6(b) of the
Organic Act of Guam.

AN ACT MAKING APPROPRIATION FOR REVIEW AND
IMPROVEMENT OF GOVERNMENT ACCOUNTING PRACTICES.

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

2 Section 1. There is hereby appropriated from any available
3 funds in the Unappropriated Surplus of the General Fund, the
4 sum of One Hundred Thirty-Five Thousand Dollars (\$135,000) for
5 a comprehensive review and study of accounting practices in
6 the government of Guam.

7 Section 2. The digest of this Act (as amended by the
8 Legislature) prepared by the Committee on Finance and Taxation
9 of the Legislature, is attached to this Act and is incorporated
10 herein as a recital preceding the enactment clause for the
11 purpose of assisting in the interpretation and implementation
12 of this Act.

13 Section 3. This Act is an urgency measure.

TENTH GUAM LEGISLATURE

P. O. BOX 373
AGANA, TERRITORY OF GUAM
U. S. A.

February 17, 1969

DIGEST ON BILL NO. 221(1-S)

On a public hearing of Bill No. 161, an identical bill of Bill 221(1-S) the Director of Administration, Mr. Joe T. San Agustin appeared and testified before the Committee on Finance and Taxation in support of the bill. The sum of \$135,000 as requested in this bill is to contract a management firm to go into a comprehensive review and study of the accounting practices in the government of Guam.

A proposal was received from the firm of Peat, Marwick, Mitchell and Company with said estimated amount and a projected 70-90 man week to make the review and to implement the study as it progresses.

In the testimony of the Director of Administration, it was brought up that financial statements of expenditures and accounts of the government of Guam is six months in arrears and that because of this, we have not been able to send billings to the Federal government for grant-in-aids to the government of Guam nor were we able to send billings or request for money on the appropriated receipts.

In the same testimony, it was found that the cause of our accounting collapse was brought about by the high turnover of professional accountants and the filling in by semi-technical or semi-skilled accountants.

It is the feeling of both the Administration and the Committee on Finance and Taxation that the study and implementation of this study is a must and that an interim crash program (the Department of Administration promised to do this immediately) is to be made to update the posting of expenditures and accounts of the government.

The Legislature insists that the recommendations of the study are implemented as made, including appropriate staffing.