



Office of the Public Auditor

Fiscal Year 2022

A Report to the Citizens of the CNMI

ABOUT US

ACTIVITIES

FINANCES

OUTLOOK

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OUR VISION

"Improve citizens' lives through impactful audits and investigations."

OUR MISSION

"We uphold public trust in government accountability, transparency, and services with effective audits and investigations."

LEADERSHIP

Public Auditor

- Dora I. Deleon Guerrero, CPA
Temporary Public Auditor
July 2022 - Present
- Kina B. Peter, CPA
January 2021 - July 2022

Legal Counsel

Ashley Kost, JD

Administrative Division

- Michelle Camacho
- Christine Francisco

Audit Division

- Wilma Atalig-Fejeran, CFE
- Jolene Nicole Muna, CFE
- Edzkestler Doreza, CFE
- Miguel Demapan
- Jane Salgado
- Manuel Villagomez
- Christine Roque

Investigative Division

- Edward Cabrera, CIGI
- Juan Santos
- Josue Genesis Cruz
- Nikonia G. Tudela, CIGI
- JB Cepeda
- Lianna Quitugua

WHO WE ARE

The Office of the Public Auditor (OPA) of the Commonwealth of the Northern Mariana Islands (CNMI) is an independent agency of the Commonwealth Government established by Article III, Section 12 of the CNMI Constitution. OPA's constitutional and statutory mandates require the prevention and detection of fraud, waste, and abuse in the collection and expenditure of public funds through audits and investigations. Additionally, the CNMI Legislature has expanded OPA's responsibilities to oversight authority and assistance in several areas, including government ethics, public accountability, and elections.



ACCOMPLISHMENTS

- Launched Audit Management System
- Participated in the CNMI's FY 2020 Single Audit – 2 Major Program Audits
- Developed and completed OPA's Strategic Plan for FY 2022 – 2028
- Completed the renovation of OPA's office buildings
- Certified Inspector General Investigator (CIGI) designation earned by two investigators, the only two in the Pacific Region
- Certified Fraud Examiner (CFE) designation earned by an auditor, who also passed the CPA examination



CORE VALUES

INTEGRITY

We conduct our engagements with an open, honest, and fair approach to our stakeholders. We provide credible work that is effective, efficient, and impactful.

ACCOUNTABLE

We promote accountability of our government and believe in being accountable for our work to the people.

INDEPENDENT

We adhere to our independence, professional standards, and code of ethics and avoid actual or perceived conflicts of interest in the course of our work. We do not allow our professional decisions to be dictated by external forces.

RESPECTFUL

We perform our duty to the CNMI Government and stakeholders, valuing the contributions of our stakeholders and encouraging a collective and constructive approach to our work.

INNOVATIVE

We ensure that our workforce has the skillset, knowledge, tools, and training to respond effectively to emerging issues and challenges.



Report Waste, Fraud, and Abuse and the misuse of public funds
CALL (670) 235-3937



OPA Activities

Fiscal Year 2022

Audits, Reviews, Investigations, and Training

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Reports Issued

and Release Date

Audit of Government Vehicles No. 22-02

August 2, 2022

Audit Reporting Requirements Flash Report

July 8, 2022

Citizen-Centric Flash Report for FY 2021 and 2020

March 10, 2022

Boards and Commissions Flash Report

February 18, 2022

CNMI Government Employee Survey Summary Results

February 9, 2022

Audit of Cash on Tinian and Rota

December 28, 2021

Rota Municipal Treasury Flash Report

December 22, 2021

Tinian Municipal Treasury Flash Report

December 22, 2021



Scan to read all OPA Reports!
www.opacnmi.com

Investigations

The OPA Investigations Division recorded sixty-six (66) tips during FY 2022.



52 SAIPAN

10 ROTA

4 TINIAN

0 NORTHERN ISLANDS



17 OPEN/ACTIVE

14 CLOSED REFERRED/REFERRED

6 CLOSED

STATUS OF TIP/COMPLAINT

14 CLOSED/UNFOUNDED

14 DUPLICATES

1 PENDING

Ethics Training

Effective ethics training for employees ensures that government agencies are poised for success and that individuals within their respective agencies stay committed to fulfilling their agency's mission. In FY 2022, OPA conducted ten Ethics Training and recognized the following agencies for their commitment to upholding the CNMI Ethics Act of 1992:

- Bureau of Environmental and Coastal Quality- Division of Coastal Resource Management
- Commonwealth Bureau of Military Affairs
- Commonwealth Economic Development Authority
- Department of Finance
 - Office of the Secretary of Finance
 - Division of Financial Services
 - Division of Revenue and Taxation
- Northern Marianas Technical Institute
- Office of Personnel Management
- CNMI Public School System
- Department of Public Lands

Building Capabilities

OPA staff attended capacity-building conferences, training, and workshops hosted by the following organizations to improve and strengthen the skills necessary to achieve the office's mission:

- American Bar Association (ABA)
- Association of Certified Fraud Examiners (ACFE)
- Association of Government Accountants (AGA)
- Association of Pacific Islands Public Auditors (APIPA)
- Association of Inspectors General (AIG)
- Graduate School USA - Pacific and Virgin Islands Training Initiatives (PITI-VITI)
- National State Auditors Association (NSAA)
- National Association of State Auditors, Comptrollers, and Treasurers (NASACT)
- Pacific Association of Supreme Audit Institutions (PASAI)
- National White Collar Crime Center (NW3C)



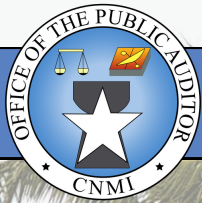
Audit Recommendation Tracking System (ARTS)

OPA conducts bi-annual follow-ups with audited agencies to ensure implementation of audit and inspection recommendations. As of June 30, 2022, OPA tracked a total of thirty-six (36) recommendations, all of which remain unresolved.

33 Audits 3 Inspections

An unresolved recommendation is one in which the agency has not taken any corrective action to address the recommendation.

Scan the QR Code above to view our full ARTS report!



OPA Finances

Fiscal Year 2022

Budget and Expenditures

ABOUT US

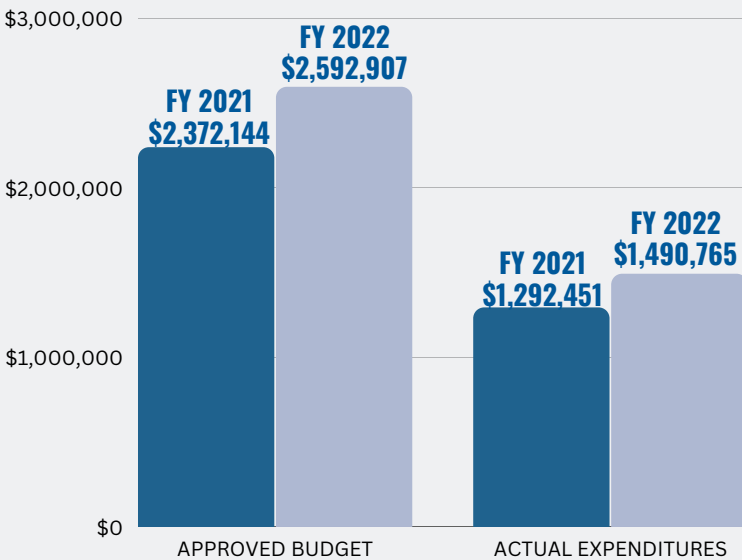
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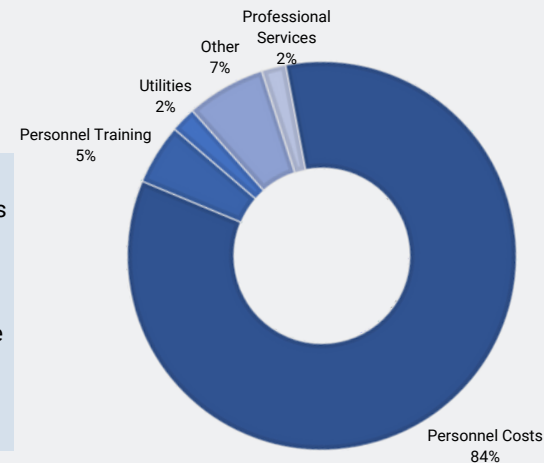
OUTLOOK

FY 2021	Approved Budget	Actual Expenditures
Personnel	\$1,261,493	\$982,542
Operations	\$1,110,651	\$309,909
Total	\$2,372,144	\$1,292,451

FY 2022	Approved Budget	Actual Expenditures
Personnel	\$1,642,347	\$1,256,449
Operations	\$950,560	\$234,316
Total	\$2,592,907	\$1,490,765



FY 2022 Expenditures



Financial Impact

Reduction in expenditures primarily due to:

- Single Audit Fees absorbed by the Department of Finance
- Loss of key personnel
- Availability of ARPA Funds

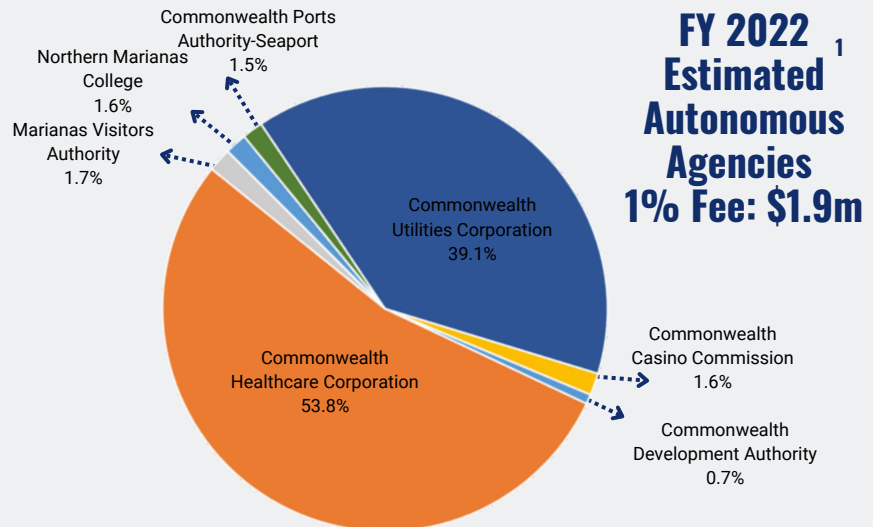
American Rescue Plan Act (ARPA)

For Fiscal Years 2021 and 2022, OPA was allotted ARPA funds of \$699,602 and \$1,706,874, respectively. The funds are currently being used for OPA's building renovations/repairs and purchase of technological and other office equipment.

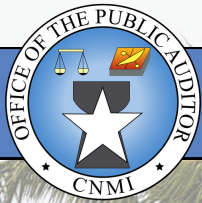
Public Auditor's Fee 1 CMC \$ 7831

(a) 1% of all amounts appropriated by Commonwealth law for all government agencies' operations and activities are to be withheld for OPA

(b) Executive directors of all public corporations shall pay to the Public Auditor 1% of its total operations budget from sources other than legislative appropriations



¹ Estimate is based on PL 22-08 (FY 2022 Appropriations act). Actual 1% fee is subject to change once audited FY 2022 financial figures are made available.



Future Outlook

Fiscal Year 2022

Initiatives and Challenges

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Investigative PROCESS

01

RECEIVE TIP/COMPLAINT

A tip or complaint is received through anonymous submission via online portal submission, phone call, walk-ins, internal referrals or letters. The tip or complaint is recorded.

02

EVALUATE TIP/COMPLAINT

Each tip/complaint is evaluated against the investigative functions, priorities, and guidelines for the following outcomes below. Based on evaluation results, one of the three courses of actions below are followed.

3A

REFER TO THE APPROPRIATE AGENCY

Tips/complaints outside of OPA's jurisdiction are forwarded to the appropriate agencies (e.g. Office of the Attorney General, Department of Public Safety).

3B

INITIATE INVESTIGATIVE ACTIVITY

If the decision is made to initiate an investigation, an investigative plan of action is developed and executed.

3C

NO FURTHER ACTION

Tips/complaints without sufficient information provided or not pertinent to OPA's mission require no further action (e.g. Tips or complaints with no actionable information provided).

Key Initiatives

- Implement the Strategic Plan
 - Roll out of the Operational Plan to meet strategic objectives
 - Perform deliverables
 - Measure performance
- Monitor American Rescue Plan Act (ARPA) spending
- Re-establish focal points with independent/autonomous agencies
- Increase presence on Rota and Tinian
- Perform extensive risk assessment across various government agencies
- Update personnel regulations
- Develop the annual audit plan for the calendar year 2023



We want to hear from you! Do you like this report? Do you have any suggestions? Would you like to see any other information? Please let us know by contacting OPA at (670) 322-6481 or mail@opacnmi.com

Audit PROCESS

01

SURVEY PHASE

We gain an understanding of the agency's process and internal controls to identify potential risk areas. Procedures will be performed to confirm our understanding. Based on the results, a recommendation to the Public Auditor is made to either initiate an audit or close the survey.

02

PLANNING PHASE

We formulate a clear objective and prepare an audit plan and program to measure that objective. We meet with the agency at an entrance conference to discuss the objective and scope of an audit.

03

FIELDWORK PHASE

We collect and examine information relevant to the audit. This is done through interviews, document and data analysis, and observations. We meet with the agency to discuss the preliminary findings.

04

REPORT WRITING PHASE

Based on the fieldwork, we finalize our findings and recommendations in a draft report. The draft report is sent to the agency for their response, which will be included in the published report. We also meet with the agency to discuss the report at an exit conference.

FY 2023 Future Outlook and Challenges

- Appointment of a Public Auditor
- Work with the Secretary of Finance and agencies to meet the Single Audit reporting deadlines and to address audit findings
- Obtain a successful outcome on the upcoming Peer Review
- Promote team development and provide opportunities to obtain relevant professional licensure to advance team capabilities
- Improve efficiency in work products by upgrading technological equipment and resources
- Conduct outreach opportunities across all agencies and departments throughout Saipan, Tinian, and Rota relevant to audit topics, ethics, or public laws

