

OFFICE OF THE PUBLIC AUDITOR

A REPORT TO THE CITIZENS OF THE CNMI

Fiscal Year 2023

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WHO WE ARE

The Office of the Public Auditor (OPA) is an independent agency of the Commonwealth of the Northern Mariana Islands (CNMI). OPA's core mandate is to conduct audits of the receipt, possession, and disbursement of public funds by all government agencies and to carry out other duties as required by law. Additionally, OPA is entrusted with the responsibility of preventing and detecting fraud, waste, and abuse in the collection and expenditure of public funds. This responsibility is critical in ensuring the judicious use of public resources and promoting transparency and accountability in government.

OUR TEAM

TEMPORARY PUBLIC AUDITOR
DORA I. DELEON GUERRERO, CPA

AUDIT DIVISION
WILMA ATALIG-FEJERAN, MPA, CFE
MIGUEL DEMAPAN
MANUEL VILLAGOMEZ
*JOLENE MUNA, MBA, CFE
*EDZKESTLER DOREZA, CPA, CFE

INVESTIGATION DIVISION

EDWARD CABRERA, CIGI
JUAN SANTOS
JOSUE GENESIS CRUZ
NIKONIA TUDELA, CIGI
JB CEPEDA
*LIANNA QUITUGUA

ADMINISTRATIVE DIVISION

MICHELLE CAMACHO
CHRISTINE FRANCISCO

**Former employees who made significant contributions to OPA's success in FY 2023.*

WHAT WE DO

- Perform audits and investigations
- Publish audits and special reports
- Enforce the Commonwealth Code of Ethics
- Conduct ethics presentations and issue Government Ethics Code Advisory opinions
- Assist in the election process
- Receive and monitor the filings of Campaign Statement of Accounts, Statements of Financial Interest, and Citizen-Centric Reports.
- Perform oversight functions required by law.

Accomplishments

- Earned a "PASS" rating during our Quality Control Review of our audits.
- Peer reviewed the Pohnpei State Public Auditor's Office and the Guam Office of Public Accountability.
- Awarded \$196K from the Department of Interior, Office of Insular Affairs' Technical Assistance Program.
- Member of the Joint White-Collar Crime, Government Corruption and Financial Crime Task Force.
- Acceptance of two investigators to participate in the Association of Inspectors General, Certified Inspector General Investigator Institute training held in Chicago, IL.

OUR MISSION

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

OUR VISION

Improve citizens' lives through impactful audits and investigations.



OUR 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.

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.

ACCOUNTABLE

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

INNOVATIVE

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

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.



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OUR ACTIVITIES

BY THE NUMBERS

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REPORTS
ISSUED

- CNMI's Implementation of Audit Recommendations (Report Nos. 23-01 & 23-03)
- Audit of Collections on Saipan (Report No. 23-02)
- Flash Report: Statements of Financial Interest
- Flash Report: Citizen-Centric Report for FY 2022

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GOVERNMENT
ETHICS CODE
ADVISORY
OPINIONS

OPA offers advisory opinions with respect to the Government Ethics Code Act, 1 CMC § 8561(j).

45

AUDIT
RECOMMENDATIONS
TRACKED

OPA conducts bi-annual tracking of agencies to ensure implementation of audit & inspection recommendations. In FY 2023, tracked a total of 48 recommendations, 3 were resolved and 45 remain unresolved as of June 30, 2023.

10

469
PARTICIPANTS

OPA conducted 10 ethics presentations to 469 government employees. Effective ethics training ensures that government agencies are poised for success and that individuals within their respective agencies stay committed to fulfilling their agencies' mission.

RECOGNITIONS

OPA acknowledges the following agencies for their diligent efforts in resolving some of their outstanding audit recommendations:

- Commonwealth Healthcare Corporation
- Department of Finance, Division of Customs and Biosecurity

OPA also recognizes the following agencies for their commitment to upholding the Commonwealth Ethics Act of 1992:

- Commonwealth Bureau of Military Affairs
- 23rd CNMI Legislature
- Office of the Governor (Cabinet Members)
- Saipan Mayor's Office
- Department of Public Works
- Department of Labor
- Carolinian Affairs Office
- Office of Senator Corina Magofna
- Commonwealth Ports Authority
- Department of Commerce
- Commonwealth Medicaid Office
- Department of Community & Cultural Affairs
- Department of Corrections
- Department of Fire & Medical Emergency Services
- Department of Public Safety
- Office of Planning & Development
- Youth Affairs Office
- Bureau of Environmental & Coastal Quality
- CNMI Scholarship Office

97

COMPLAINTS
LOGGED

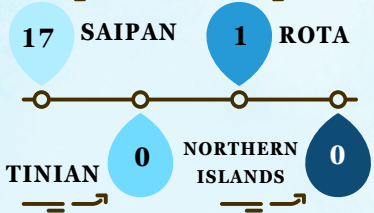
OPA received and recorded 97 complaints during FY 2023 through:

- Hotline Portal
- Walk-Ins
- Internal Referral

18

OPEN, PENDING
ASSESSMENT

Open complaints, pending assessment categorized by senatorial district:



67

CLOSED
COMPLAINTS

OPA complaints are closed when they are either unfounded or outside of OPA's purview, insufficient information, referred to an agency, or duplicate submission.

4

CASES
ELEVATED

OPA elevated four complaints to criminal cases. One case was referred to the Office of the Attorney General; while three are currently under investigation.

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COMPLAINTS
REFERRED

OPA referred eight complaints to the Joint White-Collar Crime, Government Corruption and Financial Crime Task Force.

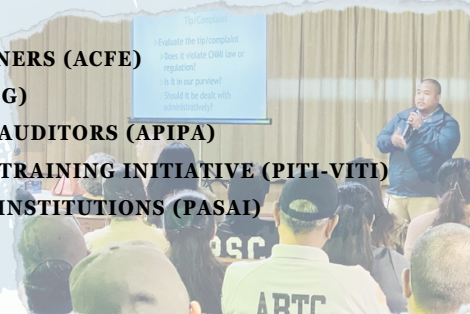


BUILDING CAPACITY



The staff of OPA participated in capacity-building conferences, training sessions, and workshops hosted by renowned organizations. These sessions were undertaken to enhance and strengthen the skillsets that are essential for accomplishing the office's mission. OPA's attendance at these events indicates our commitment to building capacity, meet professional requirements, and our dedication to providing high-quality services.

- ASSOCIATION OF CERTIFIED FRAUD EXAMINERS (ACFE)
- ASSOCIATION OF INSPECTORS GENERAL (AIG)
- ASSOCIATION OF PACIFIC ISLANDS PUBLIC AUDITORS (APIPA)
- GRADUATE SCHOOL USA, PACIFIC ISLANDS TRAINING INITIATIVE (PITI-VITI)
- PACIFIC ASSOCIATION OF SUPREME AUDIT INSTITUTIONS (PASAI)



OUR FINANCES

OPA's proactive approach toward monitoring expenses, implementing cost-cutting measures, and efficient utilization of resources has enabled the agency to operate within or below budget while delivering quality services.

HOW WE DID IN FY 2023

CATEGORY	PERSONNEL COST	PROFESSIONAL FEES	PERSONNEL TRAINING	OTHER	TOTAL
BUDGET	\$1,471,770	\$153,500	\$113,195	\$438,710	\$2,177,175
ACTUAL	\$994,606	\$29,986	\$48,101	\$130,856	\$1,203,549
UNDER BUDGET	\$477,164	\$123,514	\$65,094	\$307,854	\$973,626

HOW WE CUT OUR COSTS

SUPPLIES, TRAVEL, & PROFESSIONAL FEES

Supplies, travel, and professional fee expenses were incurred strictly on an as-needed basis.

PERSONNEL TRAINING

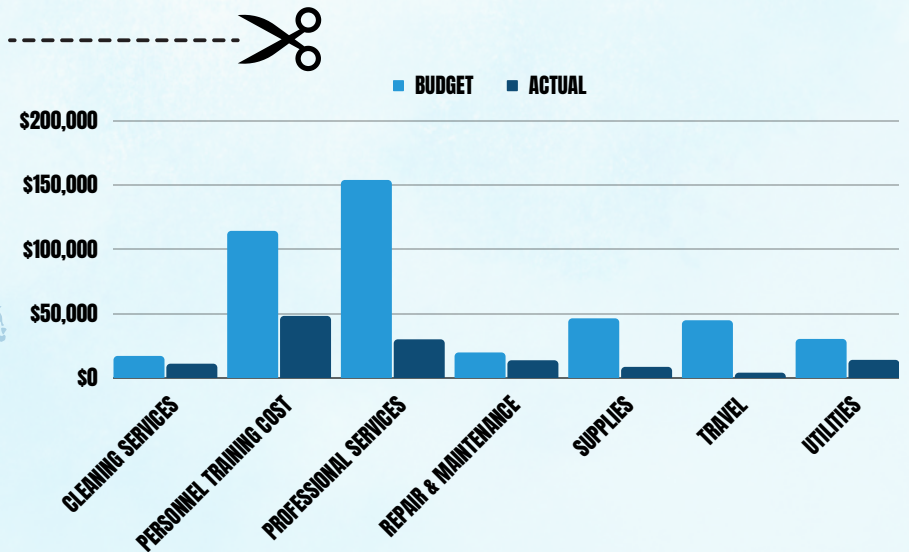
OPA personnel participated in PASAI sponsored or Technical Assistance Program (TAP) Grant funded professional training. PASAI covered airfare, lodging, and some meals with limited cost to OPA. Of the total \$48K expense, approximately \$33K is reimbursable through the TAP Grant, further reducing personnel training costs.

CLEANING SERVICES

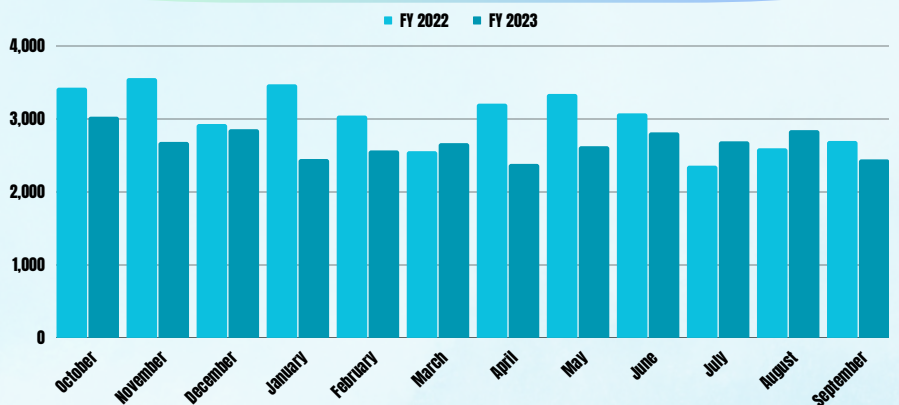
The frequency of office cleaning services was reduced from twice to once a week. OPA also utilized the Department of Correction's Community Outreach Program for yard maintenance services when available.

UTILITIES

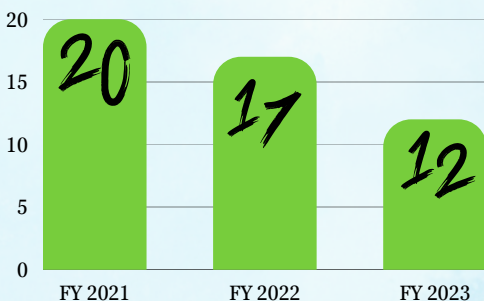
OPA reduced overall utility costs by shutting down unnecessary machines, switched off lights and air conditioners in unused spaces, and repaired water leaks.



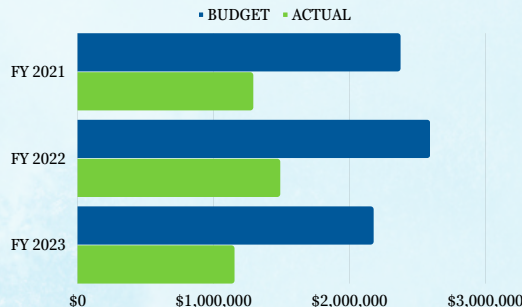
UTILITIES - KILOWATT USAGE



STAFFING LEVELS



THREE-YEAR BUDGET TREND



TAP GRANT 2023

PERSONNEL TRAINING COSTS	\$124,317
CONTRACTUAL - WEBSITE DEVELOPMENT & MAINTENANCE	\$12,500
ALL OTHERS - INVESTIGATIONS SOFTWARE, EQUIPMENT, & SUPPLIES	\$59,900
TOTAL	\$196,717



Initiatives and Challenges



- Appointment of a Public Auditor.
- Develop an annual audit plan for 2024.
- Obtain a successful outcome on the upcoming Peer Review.
- Collaborate with the Secretary of Finance and agencies to meet Single Audit reporting deadlines and to address prior audit findings.
- Work with the CNMI Legislature to strengthen & maintain OPA's funding source & independence.
- Conduct outreach opportunities across all CNMI government agencies, departments, & programs.
- Improve efficiency in work products by upgrading technological equipment & resources.
- Develop, implement, & monitor strategic plan deliverables
- Reassess OPA's recruitment & retention plan.
- Develop a leadership succession plan to minimize the impact of employee turn-over.
- Initiate planning & preparation for APIPA 2025 as the host country.
- Collaborate with the OIG to monitor grants awarded to the CNMI.
- Publish quarterly periodicals to promote awareness on topics related to fraud, waste, abuse, & prevention measures.



BUILDING CAPABILITIES

The concept of capability building goes beyond the conventional training of employees. Building capabilities involves a comprehensive approach to training that includes acquiring new competencies, improving existing skills, and cultivating a mindset that embraces the principles of continuous learning and growth. OPA aims to enhance the capabilities of its workforce to excel in their respective roles, while also meeting professional standards. OPA's capability building initiatives are made possible through its association with the following highly recognized professional organizations:

Association of Certified Fraud Examiners (ACFE) offers a broad range of anti-fraud resources, training opportunities, and professional certification programs to individuals committed to detecting, preventing, and investigating fraud and corruption.

Association of Government Accountants (AGA) Guam Chapter serves professionals in the government financial management community by providing quality education, fostering professional development certification, and supporting standards & research to advance government accountability.

Association of Inspectors General (AIG) serves as a civic, educational, charitable, and benevolent organization for the exchange of ideas, information, education, knowledge, and training among municipal, local, state, national, and international Inspectors General.

Association of Pacific Islands Public Auditors (APIPA) provides an annual forum for its members to exchange ideas, experiences, and share challenges that are unique to Public Auditor Offices in the Pacific Region.

Federal Law Enforcement Training Centers (FLETC) provides continuous training to law enforcement professionals to assist them in fulfilling their responsibilities safely and proficiently.

Graduate School USA - Pacific Islands Training Initiative (PITI-VITI) is designed to provide training services to Pacific insular governments, aimed at supporting their efforts in implementing and maintaining sound financial management and program performance practices.

National Association of State Auditors, Comptrollers & Treasures (NASACT) offers an annual conference for state auditors, comptrollers, and treasurers from around the nation to cooperatively address government financial management issues.

National State Auditors Association (NSAA), a branch of NASACT, offers an annual conference designed to provide maximum opportunities for state auditors to network and hear industry leaders speak on current and emerging issues.

National White Collar Crime Center (NW3C) delivers economic crime investigation, digital forensics, criminal intelligence, and other criminal justice training and technical assistance.

Pacific Association of Supreme Audit Institutions (PASAI) facilitates training sessions with its members to enhance the quality of public sector auditing and maintain high standards.