



Fiscal Year 2015

A Report to Our Citizens

About Us

The Guam Board of Accountancy (GBA) is an agency of the Government of Guam, located in the Pacific Island American Territory of Guam. GBA is a member of the National Association of State Boards of Accountancy (NASBA) and administers the national Certified Public Accountants (CPA) examination produced by the American Institute of Certified Public Accountants (AICPA). GBA is responsible for maintaining professional standards and practices to safeguard the public interest, through certifying, licensing and regulating all Certified Public Accountants practicing in the Territory of Guam.

Our Mission and Strategic Objectives

It is the policy of the Territory of Guam, through the Guam Accountancy Act of 2003, as amended, and the purpose of the GBA to promote the reliability of information used for guidance in financial transactions or for accounting for, or assessing, the financial status or performance of commercial, noncommercial, and governmental enterprises. GBA establishes entry-level requirements for



CPAs, qualifies candidates to take the national CPA Examination, administers the national CPA Examination, issues candidates' grades and ultimately certifies candidates as possessing the requisite professional skills to effectively practice public accounting in the Territory of Guam. GBA further ensures the continued competency of all Guam licensed CPAs through Board oversight and approval of continuing professional education (CPE) sponsors and by requiring all CPA licensees

practicing in Guam to meet annual CPE reporting requirements, including professional ethics education, as well as participation in tri-annual Peer Review Programs.

Selected Demographics FY2015

	September 30, 2015
Individual CPA Licensees	2,546
CPA Firm Permits	73
Guam CPA Exam Candidates	906
Guam Computer Testing Center CPA Exam Sections Given	6,088
Total Revenues	\$703,657



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Management

Dave Sanford, Executive Director

Michele Santos, Asst. Exec. Director

Board Members

John E. Onedera, CPA, Chairperson

Todd S. Smith, CPA, Vice-Chair

Jennie L. Chiu, CPA, Member

Francis Q. Baba, CPA, Secretary

Dafne M. Shimizu, CPA, Treasurer

John Camacho, Ex Officio Member

How Have We Progressed

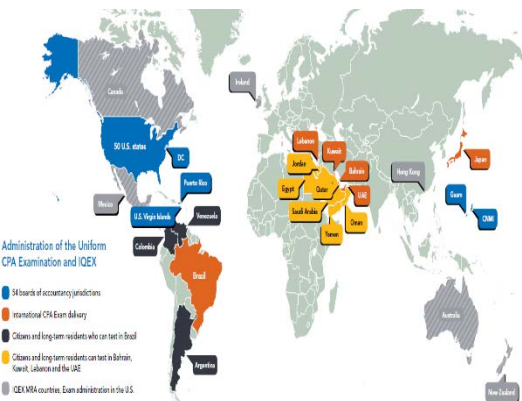
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FY2015 Accomplishments

- Herminia Dierking and John Phillips Visiting Professor and Lecturer Program:** The GBA contributed \$1.0 million to the University Of Guam (UOG) Endowment Foundation, Inc., in December 2014, creating the agency advised Guam Accountancy Endowment Fund, pursuant to Public Law 32-191, thus implementing the UOG Herminia Dierking and John Phillips Visiting Professor and Lecturer Program. The late Speaker Ben Pangelinan's committee crafted Bill 303-32 to appropriate the funds from the GBA to the UOG Endowment Foundation, Inc.
- Guam Computer Testing Center:** NASBA again won the operating contract RFP, extending its services through 2023.
- Philippine Institute of Certified Public Accountants' 12th Metro Manila Region International Conference:** GBA presented "Safeguarding the Public Interest: A Glimpse into the Guam Board of Accountancy" to over 150 participants visiting Guam.

US CPA: WORLD WIDE EXAM SITES



Guam Board of Accountancy Performance Measures

	FY2013 Actual	FY2014 Actual	FY2015 Actual
GUAM LICENSEES			
Individual Licensees – New	219	241	270
Individual Licensees – Renewed	871	1029	1194
Firm Permits – Total	17	23	22
Sole Practitioners – Total	53	48	51
GUAM COMPUTER TESTING CENTER			
CPA Exam Sections – Paid	7203	7297	7282
CPA Exam Sections – Taken	5495	6131	6129
Utilization – Testing hours vs Total Hours	53.0%	60.9%	62.3%
CPA EXAM PERFORMANCE SUMMARY*			
	ALL CY2015	GUAM CY2015	GUAM Ranking (1 to 53)
Candidates	182,423	906	31
Sections	240,886	2,469	26
Passing Rate	47.7%	43.8%	42
Average Score	71.1	69.4	47
Average Age	29.2	32.3	52
*Calendar Year data from NASBA's Gateway Candidate Database for all jurisdictions			

The measures reported on this page were included based on an analysis of the Board's annual activity plus special events. What would you like to see reported on in this page? Please let us know by contacting admin@guamboa.org.

www.guamboa.org

Our Finances

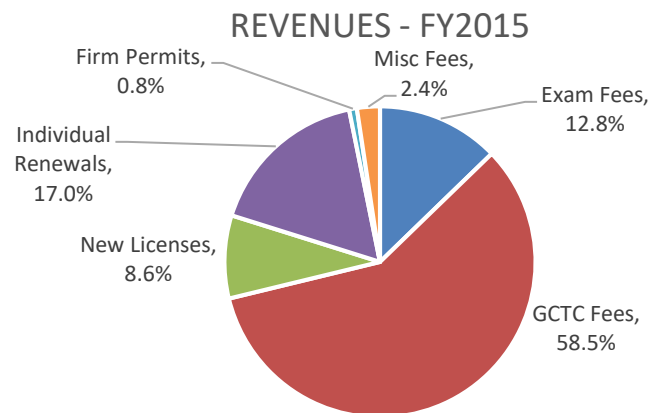
Revenues and Expenditures

The Guam Board of Accountancy Fund is a special revenue fund created to account for fees derived from CPA exam applicants, issuing licenses and permits, and other revenues such as the Guam Computer Testing Center surcharge, disciplinary fees and such. All GBA revenues are collected from CPA exam candidates, practicing CPAs and CPA firms; no funds are received from the US Federal Government or Government of Guam sources. All expenditures are for administering the Guam Accountancy Act of 2003, as amended.



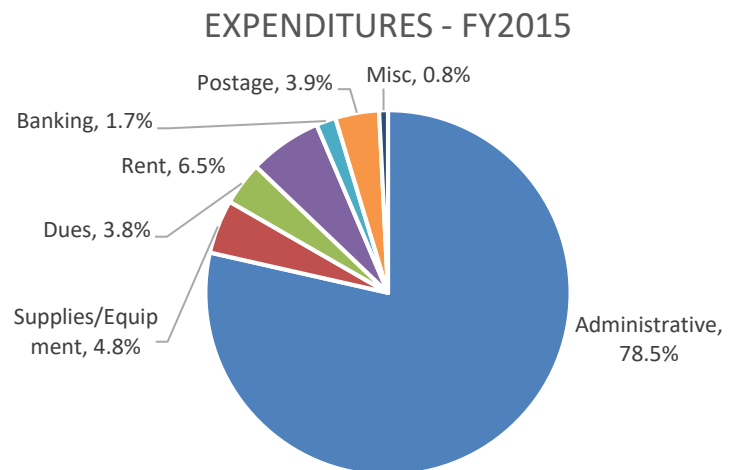
Revenue by Source

	FY2014	FY2015
Exam Application Fees	\$80,300	\$89,750
GCTC Administration Fees	397,870	411,320
Certification Fees	54,200	60,725
Individual Licensing Fees	102,925	119,425
Firm Licensing Fees	5,325	5,675
Penalties/Miscellaneous Fees	9,560	16,762
Total Revenues	\$650,180	\$703,657



Expenditures by Service Area

	FY2014	FY2015
Administrative	\$275,721	\$290,245
Supplies/Equipment	16,883	17,626
Dues	18,525	14,200
Rent	23,868	23,868
Banking	5,392	6,424
Postage	15,266	14,322
Miscellaneous	1,774	2,882
GAEF Contribution	0	0
Total Expenditures	\$357,429	\$369,567



Independent Audit

An independent audit conducted by Deloitte & Touche LLP included the GBA Special fund in the Government of Guam's Basic Financial Statements for FY2015. Complete financial information can be found at www.guamboa.org.

What's Next

Key Initiatives



Guam Computer Testing Center Challenge

GBA derives more than half of its funds directly from examination fees generated by the Guam Computer Testing Center (GCTC). The GCTC is operated by NASBA under contract with the GBA through 2023, aligned with the AICPA, NASBA, PROMETRIC Uniform CPA Exam contract extension to 2024. Due to testing in Japan, and as expected, candidates from Japan are now less than our local Guam resident candidates. The majority of GCTC candidates are now Korean and Chinese. Thus, we continue to judiciously operate the GBA, reserving a portion of each year's revenues to offset potential lost GCTC revenues if testing is approved in China. Still, we budget most excess revenues as an annual contribution to the Guam Accountancy Endowment Fund supporting the UOG Visiting Professor and Lecturer Program.

Guam CPA Mobility Initiative

GBA has drafted and submitted proposed legislation to enact "Individual Mobility" in Guam for individual CPAs, in order to maintain "substantial equivalency" with the other 54 US jurisdictions, for Guam CPAs. This means that individual Guam CPAs will be authorized to practice in other US jurisdictions without having to obtain a separate license from those jurisdictions.

GBA is also working with the University of Guam (UOG) School of Business to strengthen the accounting program and develop a masters level degree to qualify CPA candidates for licensing with 150 hours of education. This effort correlates with the proposed legislation to provide mobility for Guam licensees, as the 150 hour education requirement is also necessary to maintain our substantial equivalency with all other US jurisdictions.

Goals for the Future

GBA continues working towards accomplishing these goals:

- Improve our Online Presence through the implementation of a fully online, interactive, website for licensing, renewals, and fee collections.
- Improve records management with an upgraded document imaging and retrieval system.
- Support UOG's CPA review course by subsidizing materials for Guam resident CPA candidates.
- Continual updating of the Guam Accountancy Act to reflect changes at the national level in the AICPA/NASBA Model Uniform Accountancy Act and Rules.

We want to hear from you.

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