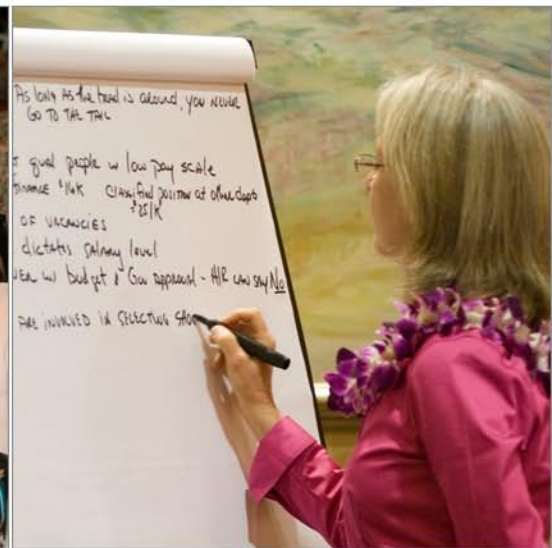




Pacific & Virgin Islands Training Initiatives  
[www.pitiviti.org](http://www.pitiviti.org)

## 2008 Annual Report & 2009 Training Plan



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## **Pacific and Virgin Islands Training Initiatives 2008 Annual Report & 2009 Training Plan**

### **I. PROGRAM OVERVIEW**

#### **A. Mission**

The mission of the U.S. Department of the Interior's Office of Insular Affairs (DOI/OIA) is to assist the U.S.-affiliated islands in "developing more efficient and effective government by providing financial and technical assistance, and help manage Federal islands relations by promoting appropriate Federal policies". As part of DOI/OIA's Technical Assistance program, the International Institute of the Graduate School, USDA (GS/USDA) has been contracted to provide training and related services through the Island Training Program (ITP) to assist the insular governments to improve the financial management and program performance of the Pacific and Virgin Islands insular governments.

The Virgin Islands Training Initiative (VITI) and the Pacific Islands Training Initiative (PITI) programs were established in 1991 with the GS/USDA to assist DOI/OIA in fulfilling their mission by providing training and consultative services to the U.S. Virgin Islands, American Samoa, Guam, Commonwealth of the Northern Mariana Islands, Republic of the Marshall Islands, Federated States of Micronesia, and the Republic of Palau to assist the insular governments in improving their financial management and program performance. The programs are designed and delivered in a manner that complements and supports insular efforts to implement and maintain sound financial management and program performance practices.

#### **B. Strategic Planning and Implementation**

As part of its yearly planning process the GS/USDA Program Managers responsible for managing PITI/VITI review accomplishments, develop training plans for the next year, and budget for the planned activities. Periodically PITI/VITI management also revises its strategic plans to focus its efforts and resources on the most critical issues facing the insular governments and DOI/OIA.

During 2007, the PITI/VITI staff and a few of its key instructors and consultants conducted a thorough review of the PITI/VITI program, its strategic plan, and its performance measures. The review team started with DOI/OIA's strategic plan and annual reports, DOI/OIA's annual reports and budgets, and DOI/OIA's performance measures. Using these documents as the drivers for PITI/VITI activities, the team then reviewed and revised PITI/VITI's program's vision statement, mission statement, and strategic goals to better align them with DOI/OIA's goals and measures.

PITI/VITI's vision is to "provide the services that enable insular governments to use resources efficiently and effectively to promote economic growth, achieve fiscal stability, and fulfill citizens' needs."

PITI-VITI's mission is to "provide customized, results-oriented professional and organizational development services that enable insular governments to strengthen financial and program performance and accountability, achieve fiscal stability, and promote economic growth. PITI/VITI works to build trust in insular governments by fostering responsible leadership and financial stewardship of the highest standard."

Based on these vision and mission statements, PITI/VITI works to achieve the following five strategic goals:

1. Improve leadership and management capacity to effectively perform;
2. Improve financial management systems and practices;
3. Increase effectiveness and program results;
4. Institutionalize regional professional organizations and communities of practice;
5. Improve the capacity and capabilities of the public sector work force in critical positions and functions.

For each of these strategic goals PITI/VITI has developed sets of activities and performance measures. These activities, when completed, will lead to the accomplishment of the strategic goals. The performance measures are the means by which PITI/VITI can assess progress towards the goals and through which PITI/VITI can be held accountable by its stakeholders.

## II. MAJOR REGIONAL PROGRAM INITIATIVES

### A. Audit Improvement Project

- **Strategic Goal 1:** *Improve Leadership and Management Capacity to Perform Effectively*
- **Strategic Goal 2:** *Improve Financial Management Systems and Practices*

Resolution of outstanding audit findings has been a critical issue in the insular governments for many years. The auditee is responsible for providing a grantor and the auditor with proposed corrective action plans when a finding is presented, but without systems designed to follow up with an auditee, findings remain open for years.

Problems of compliance with requirements of the Single Audit Act of 1984 have been an issue in the insular governments since enactment of the legislation. Major compliance problems include failure to meet time schedules for submitting audited financial statements and lack of adequate processes to resolve adverse findings by the auditors. Audit resolution has now become a cornerstone of the financial management improvements efforts launched more than a decade ago by DOI/OIA in cooperation with the Graduate School, USDA's Pacific and Virgin Islands Training Initiatives (PITI/VITI) and the insular governments.

Preparation of auditable financial statements and resolution of audit findings are the most fundamental and universally recognized measures of good financial management. Audit compliance can be measured with quantified performance measures that are comparable for all governments and are easily categorized. The insular government infrastructure, including better financial systems, better trained management and technical staff and established public audit offices is now in place.

Better audit resolution and compliance with Single Audit Act deadlines is in the best interest of the island governments. Increased accountability is a major focus of negotiated amendments to the Compacts of Free Association and DOI/OIA has been given authority to take necessary measures to enforce accountability requirements, including those related to the Single Audit Act. With respect to the U.S. territories, compliance with Single Audit Act requirements has been declared one of the threshold criteria that must be met to receive a portion of \$27.7 million awarded each year in capital improvement grants.

Five of the eleven insular governments received unqualified opinions on their 2007 audited financial statements. These five governments include the Republic of Palau, Pohnpei State, Kosrae State, Guam and the Republic of the Marshall Islands. In addition, all ten Pacific insular governments completed their 2007 audits prior to the June 30, 2008 deadline for submission.

### B. Development of Insular Government Performeters

- **Strategic Goal 1:** *To improve leadership and management capacity to effectively perform.*

The government's annual audited financial statements provide useful information regarding the government's financial health and success. However, financial statements alone do not provide answers to important questions. Financial analysis is essential to identifying answers to these questions. The development of government-specific *Performeters* is one such form of financial analysis using various financial ratios and comparisons relevant to the government. The AFTER Analyst is an analyst of the status of the audit findings, the timeliness of the submission of the audit, and the resolution of certain audit exceptions. This analyst can be used to track a government's progress towards eliminating its most significant findings and exceptions, along with tracking the timeliness of submission to the Federal Clearinghouse.

*Performeters* are intended to be a barometer of the government's financial health as of its most recent fiscal year end and a measure of its financial success over the past year. It is important to consider that financial ratios, in and of themselves, may not be meaningful without comparisons to prior periods, other similar governments or activities, or commonly accepted standards. In addition, the financial status of the government cannot be determined from one ratio alone. All ratios and other financial indicators should be considered collectively and in context with any extraordinary events or circumstances in any one period.

### **C. Strengthening Federal-Insular Grant Alliances**

- **Strategic Goal 2:** *Improve financial management systems and practices*
- **Strategic Goal 3:** *Increase effectiveness and program results*
- **Strategic Goal 5:** *Improve the capacity and capabilities of the public sector work force in critical positions and functions.*

An Interagency Group on Insular Areas (IGIA) was established under an Executive Memorandum in 1999 to 1) address crosscutting insular policy issues, 2) ensure program coordination, and 3) promote responsiveness to the special circumstances that distinguish the territories from the fifty states. In response to insular leadership, IGIA has directed its attention to advancing insular goals of sustainable development and fiscal improvements. Toward this end, an effort to identify issues that impede Federal program grant prospects and relationships, and a process to define strategies to resolve problems was initiated.

The IGIA has directed its work to help advance the insular areas' goals of sustainable growth and fiscal health. After consulting closely with island leadership, IGIA has added Federal grant and loan programs as part of that mix in terms of identifying new opportunities, making available untapped Federal technical assistance, and helping to mediate management and accountability concerns. PITI/VITI remains committed to assisting the IGIA achieve its goals and objectives.

In an effort to bridge the communication gap between federal grant managers and their insular government counterparts, the GS/USDA was contracted by DOI/OIA to coordinate and manage the "Federal Grants Programs Accountability and Audit Conference" in June 2007 in San Francisco, California. The possibility of conducting a similar conference for DOI/OIA during 2009 has been raised.

#### **D. Financial Management Improvement Program (FMIP)**

- **Strategic Goal 1:** *Improve leadership and management capacity to effectively perform*
- **Strategic Goal 2:** *Improve financial management systems and practices.*

Since 1998, PITI/VITI has worked with the insular governments to develop Financial Management Improvement Plans (FMIPs) for five of the seven insular governments. The planning process has used the same basic formats, and a methodology that focuses on: 1) improving business processes, practices, and procedures; 2) improving innovation and utilization of information technology; and 3) developing and enhancing human resource development. In developing the FMIP plans, interdisciplinary teams are established. These teams include:

- a core team of government technical experts and PITI/VITI expert consultants who are responsible for the intensive field work required of the plan for improving innovation and utilization of information technology
- a strategic planning team of government officials which provides leadership and guidance to the core team

#### **E. Executive Development Leadership Program**

- **Strategic Goal 1:** *Improve leadership and management capacity to effectively perform*
- **Strategic Goal 5:** *Improve the capacity and capabilities of the public sector work force in critical positions and functions.*

All of the insular governments have a difficult time attracting and retaining qualified individuals to work in core functions of island governments. Many young, educated and promising employees are trained by local governments and are then offered higher paying jobs by component units or within the private sector. Several governments have indicated that key employees within their central finance offices will be retiring in the near future, making them especially vulnerable. PITI-VITI developed and launched a program during 2008 aimed at assisting the insular governments in their succession planning efforts. Twenty-two targeted employees from the insular governments started the first year of the Executive Leadership Development Program (ELDP) in 2008 that will be completed in September 2009. The next round of the ELDP program is tentatively scheduled to begin in 2010.

#### **F. Finance and Audit Office Assessments**

- **Strategic Goal 1:** *Improve leadership and management capacity to effectively perform*
- **Strategic Goal 2:** *Improve financial management systems and practices.*
- **Strategic Goal 3:** *Increase effectiveness and program results*

In an effort to plan future training and technical support and to measure the impact of our assistance efforts, PITI-VITI developed diagnostic tools to assist each insular government's Audit Offices and Finance Offices to improve their performance and track performance against a standard, broad set of criteria. For the Audit Offices, this is not a peer review. The use of the tool assumes the peer

review has already been completed successfully. Currently there is no comparable process or tool for the Finance Offices. These tools support and complement the performance measures being developed by DOI OIA and the Graduate School, USDA.

The tools have been developed based on extensive research of the existing literature, interviews with experts in the fields, reviews of existing diagnostic and assessment processes and tools, and repeated, detailed reviews by subject matter experts with significant experience in the islands.

There are two aspects to the project—the diagnostic tools themselves and the assessment process. The tools identify those aspects of an office that are most critical to enabling high performance and the results achieved by high performing offices. The diagnostic process is intended to be a collaborative process between the office and a two-person Graduate School, USDA PITI-VITI team. The diagnostic data collected will be used to develop a development plan for the office and to help DOI OIA and the Graduate School, USDA identify the needs of the offices and focus their resources on the most important issues coming out of the assessment.

The Audit and Finance Office Assessments were conducted on Guam for the Government of Guam's Office of the Public Auditor and Department of Administration in October 2008. Additional assessments are being planned with the other insular government's audit and finance offices in 2009.

#### **G. Guam Business Opportunities Mission**

- ***Strategic Goal 1: Improve leadership and management capacity to effectively perform***

The Office of Insular Affairs, (OIA) with the Office of the Secretary, U.S. Department of the Interior (DOI) has the responsibility to guide the affairs of the Federal government with regard to the insular areas. Over the past four years OIA has prepared and managed large-scale conferences designed to introduce the U.S. mainland and international business community to the territories and freely associated states, with the aim of stimulating private sector-led economic development. In addition, Business Opportunities Missions have been organized to Guam, Saipan, Palau, and the U.S. Virgin Islands. The purpose of these events are to further develop the links between investors from the fifty states and internationally to business and government leaders in the islands, with the ultimate aim of stimulating private sector-led economic development. DOI OIA contracted the Graduate School, USDA to assist with managing the Business Opportunities Conference on Guam in 2007 and a follow-up conference in Honolulu, Hawaii in April 2009. Services will include management and production support in the outreach and registration phase, and finalizing logistical arrangements on the ground in cooperation with conference partners and OIA staff.

#### **H. Island Government Finance Officers Association (IGFOA)**

- ***Strategic Goal 4: Institutionalize regional professional organizations and communities of practice.***



Since 2000, the PITI/VITI program has supported the efforts of the Island Government Finance Officers' Association (IGFOA), a professional organization comprised of the Chief Financial Officers of each insular government and their associates. In addition to arranging for IGFOA members to participate in the annual Government Finance Officers Association (GFOA) Conference, PITI/VITI works with IGFOA to highlight best practices in the insular governments and to serve as a conduit for resource sharing. IGFOA gatherings enable the insular government finance community to discuss common challenges they face and identify successful best practices and strategies to address problems. PITI/VITI also takes advantage of IGFOA meetings to deliver professional development seminars on leadership skills and team building in the finance environment. Two IGFOA conferences were held in 2008. The first, in Fort Lauderdale, Florida in June 2008 was scheduled immediately following the 2008 Government Finance Officers' Association (GFOA) conference. The second IGFOA conference, held annually in December, took place in Kona, Hawaii. The next IGFOA conference is scheduled for June 2009 in Seattle, Washington in association with the 2009 GFOA Conference.

#### **I. Association of Pacific Islands Public Auditors (APIPA)**

- **Strategic Goal 4:** *Institutionalize regional professional organizations and communities of practice.*

The Association of Pacific Islands Public Auditors (APIPA) is a forum made up of public auditors from each of the Pacific insular areas. The U.S. Virgin Islands Office of the Inspector General has also been an active member in APIPA since the late 1990's. The Association holds annual conferences to discuss issues related to the field of auditing and to provide practitioners an opportunity to attain continuing professional education required by the field. Since its inception in 1991, PITI has provided auditors with the opportunity to attain up to 40 hours of continuing professional education (CPE) credits annually. By providing training during the annual APIPA conference and providing targeted audit training at each insular jurisdiction, PITI/VITI plays a critical role in working with APIPA to strengthen institutional support to the various public audit offices in the region. The 2008 APIPA Conference was held in July 2008 on Saipan. The 2009 APIPA Conference is scheduled for July 27-31 on Guam. The 2009 APIPA Conference will be signify APIPA's 20<sup>th</sup> year as an organization.

#### **J. PITI-VITI Website**

- **Strategic Goal 3:** *Increase effectiveness and program results*

PITI-VITI launched its official website in 2008. The website contains comprehensive information on the PITI-VITI program, including background on staff and training curricula, a dynamically updated training schedule, recent news, conference announcements and reports, APIPA and IGFOA institutional information, and specific documentation on initiatives such as the Audit Improvement Plan, the *Perfometer*, the ELDP, and Audit and Finance Office Assessments. Additionally, a dedicated section of the website is being used by ELDP participants to interact dynamically with each other via an online discussion forum. Although launched in 2008, website development will continue through 2009.

## K. Fiscal Reform Initiatives

- **Strategic Goal 1:** *Improve Leadership and Management Capacity to Perform Effectively*
- **Strategic Goal 3:** *Increase effectiveness and program results*

Through 2007 and 2008, PITI worked closely with the governments of Kosrae and Chuuk to address fiscal crises. Separate Leadership Summits were convened in both islands to identify causes and solutions to both states' recurring budget deficits. In Kosrae, a one-time reduction in force of 98 government employees was implemented at a cost savings of \$1.6 million. In Chuuk, \$3.5 million of cost reductions and revenue enhancements were identified, and a personnel reduction of \$2.5 million was implemented.

## L. Compact Support to FSM & RMI

- **Strategic Goal 2:** *Improve financial management systems and practices.*
- **Strategic Goal 3:** *Increase effectiveness and program results*

In 2008, PITI provided technical support to both the FSM and RMI on issues relating to Compact implementation. PITI assisted both countries with preparation for technical meetings, as well as preparation for annual JEMCO & JEMFAC meetings. Additionally, PITI worked closely with Yap, Kosrae and Pohnpei toward the development of project-based budget proposals for JEMCO funding consideration under the environment, private sector and capacity building grants. Yap received a 93% approval rate, while the other two states are remain under JEMCO consideration. Finally, approval has been granted from OIA to conduct a retreat for the FSM, intended to define a vision for JEMCO, develop the FSM JEMCO team's mission, and develop long-term, strategic goals and action plans.

## III. 2008 HIGHLIGHTS OF RESULTS

The Pacific and Virgin Islands Training Initiatives are implemented strategically, and as a result have capitalized on many opportunities for success throughout the region. A few examples of measurable success this past year include:

- Regional: Provided on-site and distance consultative support during 2008 that enabled ten of eleven insular governments to complete their FY 2007 single audits on time, with five governments (Guam, the Republic of the Marshall Islands, the Republic of Palau, Kosrae State, Pohnpei State) receiving unqualified audit opinions. As a result of classroom training, accounting procedures consult-trainings, and the annual IGFOA meetings, the insular governments have made progress in adopting an audit improvement planning technique to recognize overarching problem areas and address those areas in measurable, task oriented plans.
- Regional: Delivered forty-nine (49) classroom training courses in 2008 for 1,848 course participants. Classroom training courses were provided in Procurement and Contract Management, Governmental Accounting, Auditing, Ethics, Leadership, Fraud, Grants Management, Indirect Costs, Management Controls, Strategic Planning, and Project Management. In addition, thirty (30) consult-

training activities for 821 participants were conducted in support of government-specific initiatives.

- Regional: Implemented the Executive Leadership Development Program (ELDP) program in 2008 to assist the insular areas with developing and retaining the qualified, skilled staff that will become the future leaders of their respective governments. Twenty-three (23) participants from across the Pacific and U.S. Virgin Islands were selected to participate in the program. Program participants met in October, 2008, and will meet three additional times in February, June and September, 2009, to continue developing skills in leadership, management, government finance, procurement, and auditing.
- Regional: In an effort to plan future training and technical support and to measure the impact of our assistance efforts, PITI-VITI developed diagnostic tools to assist each insular government's Audit Offices and Finance Offices to improve their performance and track performance against a standard, broad set of criteria. The Audit and Finance Office Assessments were conducted on Guam for the Government of Guam's Office of the Public Auditor and Department of Administration in October 2008. Additional assessments are being planned with the other insular government's audit and finance offices in 2009.
- Guam, CNMI, American Samoa, Virgin Islands, Palau: Provided training that resulted in one hundred and sixty five (165) federal grants managers and administrators in the US flag territories and Palau receiving certificates in grant management of US federal grants. These trainings were held on all the US flag territories and the Republic of Palau to complement DOI OIA efforts to increase the capacity of the insular governments to effectively manage federal grant funded programs.
- Guam, Virgin Islands, Federated States of Micronesia: Provided training and other methods of technical assistance to support the efforts of these insular governments to implement performance-based budgeting practices.
- Kosrae: Implemented an overall budgetary fiscal compression of \$1.6 million, including a one-time Reduction in Force (RIF) of 98 current government employees, a 5% across-the-board salary reduction, and a variety of revenue enhancement measures.
- Chuuk: Identified \$3.5 million in cost reductions and revenue increases, including \$2.5 million by way of personnel reductions which are currently being implemented. Convinced Chuuk State Leadership to begin budgeting a \$1.5 million surplus for debt servicing.
- FSM & RMI: Completed a comprehensive update to FSM & RMI government finance statistics for fiscal year 2007: GDP, GDP per capita, employment, inflation, external debt ratios, consolidated revenues and expenditures and outmigration estimates; completed an FY 2007 Economic Review.
- FSM: In support of the implementation of the Federated States of Micronesia's Uniform Financial Management System, the Graduate School, USDA has provided a long-term accountant, project manager, and a consultant specializing in chart of accounts development to the project. In 2008 the FSM National Government was converted to the new FMIS—the last FSM entity to do so. A local project manager has been hired by the FSM, phasing out the Graduate

School consultant, and the new FMIS is now installed and stable throughout the country.

#### **IV. ADDITIONAL DOI-OIA PROJECTS MANAGED BY PITI-VITI.**

- Strategic Plan and Performance Measurement Project for the Office of Insular Affairs
- Technical and logistics support for the September 2008 “Future of Health Care in the Insular Areas: A Leaders Summit” in Honolulu, Hawaii
- Technical and Accounting Support to the Implementation of a Uniform Financial Management System for the Federated States of Micronesia
- Technical and logistical support for the April 2009 Business Opportunities Conference in Honolulu, Hawaii
- Island Business Link Website that will be used to support the April 2009 Business Opportunities Conference in Hawaii
- FSM JEMCO Retreat (scheduled for 2009)

#### **V. COUNTRY-SPECIFIC 2008 ACTIVITIES AND 2009 PLANS**

The following narrative provides a comprehensive outline of activities conducted in each PITI-VITI site in the 2008 calendar year, as well as a broad indication of planned activities for 2009. Note that the 2008 report on activities and the listing of planned activities for 2009 are outlined within the framework of the PITI-VITI strategic goals.



## **AMERICAN SAMOA**

### **2008 PITI Assistance and 2008 Accomplishments**

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#### **Single Audit Status**

American Samoa has completed and released their audited financial statements through the fiscal year ended September 30, 2007. The anticipated completion and release date of the 2008 audited financial statements is June 30, 2009. A Performer analysis has been completed for the 2007 financial statements. American Samoa has continued to make significant improvement in the timeliness of their single audits lowering the number of months from the fiscal year to the release of the single audit from eighteen (18) months in 2004, to twelve months or less since 2005.

#### **2008 PITI Assistance and Accomplishments**

##### **Strategic Goal #1: Improve leadership and management capacity to effectively perform**

- *Performer® Development:* The Performer® is a barometer of a government's financial health as of its most recent fiscal year end. Using various financial ratios, the Performers® are intended to measure a governments' financial success over the past year, and can be used as a tool to measure overall government performance from year to year. Based on the audited fiscal year 2007 financial statements, an FY 2007 *Performer®* was developed for American Samoa.

##### **Strategic Goal #2: Improve financial management systems and practices**

- *Developing and Implementing Management Controls:* Conducted an intensive on-site review of internal control protocols within the American Samoa Treasury, and then provided course background information to Treasury personnel.

##### **Strategic Goal #3: Increase effectiveness of program results**

- *Grants Management Support:* Conducted a series of courses on grants management in American Samoa, targeting finance and component unit officials, including "Successfully Completing Grants and Contracts," and "Administrative Requirements and Cost Principles for Grants and Agreements".
- *Indirect Cost Support:* PITI provided continued assistance to the American Samoa Government as well as several component units, including the community college, to assist with the establishment of indirect cost rates.

##### **Strategic Goal #4: Institutionalize regional professional organizations and communities of practice**

- Continued involvement of key American Samoa personnel in IGFOA and APIPA.
- Continued training of key public audit personnel to provide CPE credits and to maintain qualifications, primarily through the APIPA conference.

**Strategic Goal #5: Improve capacity and capabilities of public sector work force in critical positions and functions**

- *Intermediate Governmental Accounting and Reporting* course delivered to finance personnel within component units.
- *Preparing for the Financial Statement Year-End Close* course delivered to Treasury personnel.
- Enrolled three (3) participants from American Samoa in the 2008-2009 Executive Leadership Development Program: two from ASG Treasury and one from ASG Health Services.



## **AMERICAN SAMOA**

### **2009 Requests for Assistance**

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The Government of American Samoa requested PITI assistance in 2009 to support several key government initiatives. Following are areas PITI plans to provide assistance to American Samoa in 2009 aligned with PITI strategic goals:

**Strategic Goal #1: Improve leadership and management capacity to effectively perform**

- Management and supervisory training

**Strategic Goal #2: Improve financial management systems and practices**

- Finance and Accounting Process Improvement
- Comprehensive Assessments of Finance Office

**Strategic Goal #3: Increase effectiveness of program results**

- Grants support: grant writing and grants maintenance training
- Indirect Costs Support: continued work on establishing and maintaining updated indirect cost rates

**Strategic Goal #4: Institutionalize regional professional organizations and communities of practice**

- Continued involvement of key American Samoa personnel in IGFOA and APIPA regional initiatives
- Continued training of key public audit personnel to provide CPE credits and to maintain qualifications.

**Strategic Goal #5: Improve capacity and capabilities of public sector work force in critical positions and functions**

- Continued participation in ELDP Program







## **CNMI**

### **2008 PITI Assistance and 2008 Accomplishments**

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#### **Single Audit Status**

The CNMI has completed and released their audited financial statements through the fiscal year ended September 30, 2007. The anticipated completion and release date of the 2008 audited financial statements is June 30, 2009. A Performer analysis has been completed for the 2007 financial statements. The CNMI has made significant improvement in the timeliness of their single audits lowering the number of months from the fiscal year to the release of the single audit from eighteen (18) months in 2004 to nine (9) months for fiscal years 2005, 2006, and 2007.

#### **2008 PITI Assistance and Accomplishments**

##### **Strategic Goal #1: Improve leadership and management capacity to effectively perform**

- *Performer® Development.* The Performer® is a barometer of a government's financial health as of its most recent fiscal year end. Using various financial ratios, the Performers® are intended to measure a governments' financial success over the past year, and can be used as a tool to measure overall government performance from year to year. Based on the audited fiscal year 2007 financial statements, an FY 2007 *Performer®* was developed for the CNMI. A presentation on the CNMI's 2006 *Performer®* was delivered to both the CNMI's House and Senate members.
- Delivered a session entitled "Fiduciary Responsibilities and it's Affect on Economic Development" to both the CNMI's House and Senate members.

##### **Strategic Goal #2: Improve financial management systems and practices**

##### **Strategic Goal #3: Increase effectiveness of program results**

- Provided grants management training that resulted in forty (40) CNMI federal grants managers and administrators receiving certificates of accomplishments for completing "Planning, Obtaining, and Successfully Completing Grants and Contracts" and "Administrative Requirements and Cost Principles" training. These trainings were held on Saipan to complement DOI OIA efforts to increase the capacity of the insular governments to effectively manage federal grant funded programs.
- Provided consult-training to staff of the CNMI's Department of Finance, CNMI Public School System and Marianas Community College for the development of their respective Cost Allocation Plans. Concentrated on providing training for carry-forward adjustments that will enable them to be up-to-date with their proposals.

- Provided “Project Management” training to twenty-six (26) CNMI project managers, team leaders, team members and other targeted professionals who are responsible for completing projects on time and within budget.

**Strategic Goal #4: Institutionalize regional professional organizations and communities of practice**

- Provided forty (40) hours of auditing and financial management training to the staff of the CNMI's Office of the Public Auditor (OPA) who attended the APIPA Conference on Saipan.
- Continued involvement of key CNMI personnel in IGFOA and APIPA regional initiatives
- Continued training of key public auditor office personnel to provide CPE credits and to maintain qualifications.

**Strategic Goal #5: Improve capacity and capabilities of public sector work force in critical positions and functions**

- Enrolled two (2) participants from the CNMI in the 2008-2009 Executive Leadership Development Program



## **CNMI**

### **2009 Requests for Assistance**

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The Commonwealth of the Northern Mariana Islands requested PITI assistance in 2008 to support several key government initiatives. Following are areas PITI plans to provide assistance to the CNMI in 2008 aligned with PITI strategic goals:

**Strategic Goal #1: Improve leadership and management capacity to effectively perform**

- Project Management Training

**Strategic Goal #2: Improve financial management systems and practices**

- Single Audit Readiness and Improvement
- Advanced Governmental Accounting

**Strategic Goal #3: Increase effectiveness of program results**

- Grants Management Training
- Certificate Financial Management Training

**Strategic Goal #4: Institutionalize regional professional organizations and communities of practice**

- Continued involvement of key CNMI personnel in IGFOA and APIPA regional initiatives
- Continued training of key public auditor office personnel to provide CPE credits and to maintain qualifications.

**Strategic Goal #5: Improve capacity and capabilities of public sector work force in critical positions and functions**

- Continued participation in ELDP Program





## FSM

### 2008 PITI Assistance and 2008 Accomplishments

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#### Single Audit Status

The Federated States of Micronesia National and four state governments (Pohnpei, Chuuk, Yap, and Kosrae) have all completed and released their audited financial statements through the fiscal year ended September 30, 2007. The anticipated completion and release date of all five government's 2008 audited financial statements is June 30, 2009. A Performer analysis has been completed for the 2007 financial statements for the FSM National Government and all four FSM States.

#### 2008 PITI Assistance and Accomplishments

##### **Strategic Goal 1: Improve leadership and management capacity to effectively perform.**

- *Performer® Development:* The Performer® is a barometer of a government's financial health as of its most recent fiscal year end. Using various financial ratios, the Performers® are intended to measure a governments' financial success over the past year, and can be used as a tool to measure overall government performance from year to year. Based on the audited fiscal year 2007 financial statements, FY 2007 *Performers* were developed for the FSM and each state of Kosrae, Pohnpei, Chuuk and Yap.
- *Performer® Presentation:* A presentation on the FSM Performers® (FSM National and four state governments) was delivered to key legislative officials at the FSM Legislative Conference in September. Members of the national and state legislatures participated in the conference.
- *Chuuk Leadership Summit and Fiscal Adjustment Plan:* Continued implementation support of Chuuk State's Reduction in Force.
  - Identified \$3.5 million in cost reductions and revenue increases were implemented, including \$2.5 million in personnel reductions.
- Development of FY 2007 Government Finance Statistics and Annual Economic Report for the FSM: Assisted the FSM National Government with the development of their annual economic report—primarily through remote assistance.
- *Support to JEMCO Meetings & Processes:* Participated in annual JEMCO working meeting and JEMCO formal meetings; provided organizational support to FSM JEMCO members in support of a variety of projects, including the FMIS, Kosrae RIF, Performance Measurement, and Economic and Statistical updates. Assisted Yap, Pohnpei, and Kosrae states with the development of project-based proposals for Compact funding consideration.

##### **Strategic Goal 2: Improve financial management systems and practices.**

- *Preparation, Installation and Support of a Uniform Financial Management System in the Federated States of Micronesia*: Completed installation of the FSM FMIS in Chuuk State and the FSM National Government, putting all FSM government entities on the same financial management system for the first time in history.
- *Chart of Accounts Maintenance (FSM)*: standardization of chart of accounts issues maintained throughout the FSM national government and states; configuration management protocol institutionalized at the FSM National Government.

**Strategic Goal 3: Increase effectiveness of program results**

- Provided technical support to Yap, Kosrae and Pohnpei toward the development of project-based budget proposals for JEMCO funding consideration under the environment, private sector and capacity building grants.
  - Yap received a 93% approval rate for submitted proposals, while the other two states remain under JEMCO consideration.

**Strategic Goal 4: Institutionalize regional professional organizations and communities of practice.**

- *Audit Evidence and Working Papers; Writing Value-Added Audit Reports (FSM Public Auditors)*: Delivered customized audit courses to the FSM Public Auditor to ensure CPE credits for personnel.
- Provided forty (40) hours of auditing and financial management training to the staff of the FSM National Office of the Public Auditor (FSMOPA) who attended the APIPA Conference on Saipan, as well as to the audit staff of the state governments.
- Continued involvement of key FSM national and state personnel in IGFOA and APIPA regional initiatives

**Strategic Goal 5: Improve capacity and capabilities of public sector work force in critical positions and functions**

- *Introduction to Governmental Accounting, Consult-Training Course (FSM & Pohnpei State Finance)*:
- Enrolled eight (8) participants from the Federated States of Micronesia in the 2008-2009 Executive Leadership Development Program.



## **FSM**

### **2009 Requests for PITI Assistance**

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The Government of FSM and the FSM State Governments requested PITI assistance in 2009 to support several key government initiatives. Following are areas PITI plans to provide assistance to the FSM and FSM States in 2009 aligned with PITI strategic goals:

**Strategic Goal #1: Improve leadership and management capacity to effectively perform**

- Development of FSM's FY 2008 Performer and development of Performers for Kosrae, Pohnpei, Chuuk & Yap. Follow-up consultation on Performers with Executive and Legislature.
- Continued support to JEMCO processes, and specifically to FSM JEMCO members to assist with preparation for meetings.
- Follow-up support to FSM and states on continued budgetary compression as annual Compact decrement kicks in.

**Strategic Goal #2: Improve financial management systems and practices**

- Peripheral support to post-core financial management information system installation: budgeting, fixed assets, bank reconciliations, configuration management protocols, etc.

**Strategic Goal #3: Increase effectiveness of program results**

- Finance office performance assessments (Yap)
- Accounting process consult-training

**Strategic Goal #4: Institutionalize regional professional organizations and communities of practice**

- Continued involvement of key FSM personnel in IGFOA and APIPA regional initiatives
- Continued training of key public audit personnel to provide CPE credits and to maintain qualifications.

**Strategic Goal #5: Improve capacity and capabilities of public sector work force in critical positions and functions**

- Continued participation in ELDP Program







## GUAM

### 2008 PITI Assistance and 2008 Accomplishments

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#### Single Audit Status

Guam has completed and released their audited financial statements through the fiscal year ended September 30, 2007. The anticipated completion and release date of the 2008 audited financial statements is June 30, 2009. A Performer analysis has been completed for the 2007 financial statements. Guam has made significant improvement the past three years in the timeliness of their single audits, lowering the number of months from the fiscal year close to the release of the single audit to nine (9) months in 2005, 2006, and 2007. In addition Guam decreased its amount of Questioned Costs from \$7.5M in 2006 to \$1.4M in 2007. Most importantly Guam received its first unqualified audit report for FY 2007.

#### 2008 PITI Assistance and Accomplishments

##### **Strategic Goal #1: Improve leadership and management capacity to effectively perform**

- *Performer® Development:* The Performer® is a barometer of a government's financial health as of its most recent fiscal year end. Using various financial ratios, the Performers® are intended to measure a governments' financial success over the past year, and can be used as a tool to measure overall government performance from year to year. Based on the audited fiscal year 2007 financial statements, an FY 2007 *Performer®* was developed for Guam. A presentation on Guam's 2006 *Performer®* was delivered to both Guam's Legislature and Senior Administration officials.

##### **Strategic Goal #2: Improve financial management systems and practices**

- Conducted both the Finance Office and Audit Office Assessments on Guam's Department of Administration and Office of the Public Auditor respectively.
- Provided budget formulation and performance budget training that resulted in Guam passing legislation requiring nine key agencies and the Guam Public School System to develop and implement Performance Based Budgeting by September 30, 2009.
- Provided technical assistance that resulted in Guam implementing the 2009 Budget Law and initiating a spending cap required in 2010, but which the government will implement in 2009.

##### **Strategic Goal #3: Increase effectiveness of program results**

- Provided grants management training that resulted in twenty-four (24) GovGuam federal grants managers and administrators completing "Developing and Negotiating Central Services Cost Allocation Plans and Indirect Cost Rate Proposals" training. This training and follow-up consult-training assistance were held on Guam to complement DOI OIA efforts to increase the capacity of the insular governments to effectively manage federal grant funded programs

**Strategic Goal #4: Institutionalize regional professional organizations and communities of practice**

- Delivered forty-eight (48) hours of audit planning, program development, working paper documentation, audit report writing, and indirect costs auditing training to the staff of GovGuam's Office of the Public Auditor (OPA). Provided a facilitator to assist Guam's OPA with furthering their strategic planning process. In addition, Guam OPA auditors who attended the 2008 APIPA Conference on Saipan received an additional forty (40) hours of audit training.

**Strategic Goal #5: Improve capacity and capabilities of public sector work force in critical positions and functions**

- Enrolled three (3) participants from Guam in the 2008-2009 Executive Leadership Development Program



## **GUAM**

### **2009 Requests for PITI Assistance**

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The Government of Guam requested PITI assistance in 2009 to support several key government initiatives. Following are areas PITI plans to provide assistance to Guam in 2009 aligned with PITI's strategic goals.

**Strategic Goal #1: Improve leadership and management capacity to effectively perform**

- Development of Guam's FY 2008 Performer and consultation with Legislature
- Strategic Planning for the Government of Guam's core financial management team

**Strategic Goal #2: Improve financial management systems and practices**

- Assist with the development of a Financial Management Improvement Plan to plan Department of Administration initiatives.
- Continued budget training and consultation to support a GovGuam initiative to implement Performance Based Budgeting
- Advanced governmental accounting training for key personnel

**Strategic Goal #3: Increase effectiveness of program results**

- Grants Management Training for personnel of selected GovGuam agencies
- Accounting process consult-training to compliment Guam's Single Audit Improvement Plan

**Strategic Goal #4: Institutionalize regional professional organizations and communities of practice**

- Continued involvement of key GovGuam personnel in IGFOA and APIPA regional initiatives
- Audit Training/Consultation specifically for the development of a revised strategic plan and audit report writing

**Strategic Goal #5: Improve capacity and capabilities of public sector work force in critical positions and functions**

- Provide human resource training to support Department of Administration efforts to attract and retain skilled personnel
- Continued participation in ELDP Program





## MARSHALL ISLANDS

### 2008 PITI Assistance and 2008 Accomplishments

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#### Single Audit Status

The Republic of the Marshall Islands have completed and released their audited financial statements through the fiscal year ended September 30, 2007. The anticipated completion and release date of the 2008 audited financial statements is June 30, 2009. The Marshall Islands received their first-ever unqualified opinion with their FY-07 audit, demonstrating much progress from 2004—when their audits were released eighteen months after the close of the year with heavy qualifications. A Performer analysis has been completed for the 2007 financial statements.

#### 2008 PITI Assistance and Accomplishments

##### **Strategic Goal #1: Improve leadership and management capacity to effectively perform**

- *Performer® Development:* The Performer® is a barometer of a government's financial health as of its most recent fiscal year end. Using various financial ratios, the Performers® are intended to measure a governments' financial success over the past year, and can be used as a tool to measure overall government performance from year to year. Based on the audited fiscal year 2007 financial statements, an FY 2007 *Performer®* was developed for the RMI.
- *Addressing the RMI Fiscal Crisis:* Provided economic analysis and policy advice to the RMI Chief Secretary and key Nitijela ministers to address an emerging fiscal crisis. Outlined a plan of action that includes a leadership conference to identify revenue enhancing and cost-saving measures.
- *Support to JEMFAC Meetings & Processes (FSM & RMI):* Participated in annual JEMFAC formal meeting; provided organizational support to RMI on Economic and Statistical updates as needed through annual Compact requirements.
- *RMI Secretaries Retreat:* Provided a strategic planning and team-building workshop to the RMI's permanent secretaries.
- *Ministry of Finance: Strategic Planning:* Conducted strategic planning exercises for a variety of divisions within the RMI Ministry of Finance.
- *Office of the Public Auditor: Strategic Planning:* Conducted a one-day workshop with the Office of the Public Auditor to revisit and update their strategic plan.

##### **Strategic Goal #2: Improve financial management systems and practices**

- Accounting and Finance Process Improvement; Consultation

##### **Strategic Goal #3: Increase effectiveness of program results**

##### **Strategic Goal #4: Institutionalize regional professional organizations and communities of practice**

- Delivered course on *Audit Evidence and Working Papers* to the RMI Office of the Public Auditor staff to ensure continuing CPE credits.
- Continued involvement of key FSM personnel in IGFOA and APIPA regional initiatives
- Continued training of key public audit personnel to provide CPE credits and to maintain qualifications.

**Strategic Goal #5: Improve capacity and capabilities of public sector work force in critical positions and functions**

- Enrolled two (2) participants from the Republic of the Marshall Islands in the 2008-2009 Executive Leadership Development Program.



## **MARSHALL ISLANDS**

### **2009 Requests for PITI Assistance**

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The Government of RMI requested PITI assistance in 2009 to support several key government initiatives. Following are areas PITI plans to provide assistance to the RMI in 2009 aligned with PITI strategic goals:

**Strategic Goal #1: Improve leadership and management capacity to effectively perform**

- Continued cabinet-level leadership support to address emerging fiscal crises in the RMI.
- Strategic planning exercises for the Ministry of Finance and specific divisions (budget, customs, etc.)
- Continued strategic planning for the Office of the Public Auditor in the RMI.

**Strategic Goal #2: Improve financial management systems and practices**

**Strategic Goal #3: Increase effectiveness of program results**

- Finance and accounting processes: consult-training

**Strategic Goal #4: Institutionalize regional professional organizations and communities of practice**

- Continued involvement of key RMI personnel in IGFOA and APIPA regional initiatives
- Continued training of key public audit personnel to provide CPE credits and to maintain qualifications.

**Strategic Goal #5: Improve capacity and capabilities of public sector work force in critical positions and functions**

- Continued participation in ELDP Program







## **PALAU**

### **2008 PITI Assistance and 2008 Accomplishments**

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#### **Single Audit Status**

Palau has completed and released their audited financial statements through the fiscal year ended September 30, 2007. The anticipated completion and release date of the 2008 audited financial statements is prior to June 30, 2009. A Performer analysis has been completed for the 2007 financial statements. The audit reports for the 2004 - 2007 financial statements were unqualified, with no exceptions while the amount of questioned costs was lowered from \$331K in 2005 to \$99K in 2006 and even lower to \$63K in 2007.

#### **2008 PITI Assistance and Accomplishments**

##### **Strategic Goal #1: Improve leadership and management capacity to effectively perform**

- Provided ongoing organizational and management support to Palau's Ministry of Finance that enabled the Ministry to address such issues as teamwork, the development of a performance appraisal system, and an action plan to target the completion of several key financial management initiatives.
- *Performer® Development:* The Performer® is a barometer of a government's financial health as of its most recent fiscal year end. Using various financial ratios, the Performers® are intended to measure a governments' financial success over the past year, and can be used as a tool to measure overall government performance from year to year. Based on the audited fiscal year 2007 financial statements, an FY 2007 Performer® was developed for Palau and used by both Administration officials and Palau's Legislature.

##### **Strategic Goal #2: Improve financial management systems and practices**

- Provided technical assistance to assist Palau with fiscal reform and compact transition options

##### **Strategic Goal #3: Increase effectiveness of program results**

- Provided grants management training that resulted in ten (10) Palau federal grants managers and administrators receiving certificates for completing "Administrative Requirements and Cost Principles" training. This training was held on Palau to complement DOI OIA efforts to increase the capacity of the insular governments to effectively manage federal grant funded programs.
- Provide training and technical support in the development of Palau's Cost Allocation Plan and Indirect Cost Rate Proposal to the Ministry of Finance, Palau Community College and the Palau Hospital.
- Provided technical assistance to assist Palau with reviewing their Compact finance options

**Strategic Goal #4: Institutionalize regional professional organizations and communities of practice**

- Delivered forty (40) hours of audit planning, program development, working paper documentation, and audit report writing training to the staff of Palau's Office of the Public Auditor (OPA). In addition, Palau OPA auditors who attended the 2008 APIPA Conference on Saipan received an additional forty (40) hours of audit training.
- Continued involvement of key Palau personnel in IGFOA and APIPA regional initiatives
- Continued training of key public audit personnel to provide CPE credits and to maintain qualifications, primarily through the APIPA conference.

**Strategic Goal #5: Improve capacity and capabilities of public sector work force in critical positions and functions.**

- Enrolled three (3) participants from Palau in the 2008-2009 Executive Leadership Development Program



## **PALAU**

### **2009 Requests for PITI Assistance**

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The Republic of Palau requested PITI assistance in 2009 to support several key government initiatives. Following are areas PITI plans to provide assistance to Palau in 2009 aligned with PITI's strategic goals.

**Strategic Goal #1: Improve leadership and management capacity to effectively perform**

- Development of Palau's FY 2008 Performer and consultation with OEK (Legislature)
- Cabinet level training for new Ministers and Directors

**Strategic Goal #2: Improve financial management systems and practices**

- Conduct the Finance Office Assessment for Palau's Ministry of Finance
- Provide technical assistance for the development of a finance office procedures manual
- Provide governmental accounting and financial management training to Ministry of Finance personnel
- Bank Reconciliation Training

**Strategic Goal #3: Increase effectiveness of program results**

- Training to satisfy SAS 112 Requirements for financial reporting
- Provide ongoing consult-training support to sustain Palau's Performance Based Budgeting efforts

**Strategic Goal #4: Institutionalize regional professional organizations and communities of practice**

- Continued involvement of key Palau personnel in IGFOA and APIPA regional initiatives
- Auditing Training/Consultation. Provide facilitator to develop a strategic plan for Palau's Office of the Public Auditor.

**Strategic Goal #5: Improve capacity and capabilities of public sector work force in critical positions and functions**

- Provide personnel management technical assistance to support Palau's efforts implement succession planning.
- Assist with the development of a desk audit for Ministry of Finance personnel





## **VIRGIN ISLANDS**

### **2008 PITI Assistance and 2008 Accomplishments**

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#### **Single Audit Status**

The U.S. Virgin Islands has completed and released their audited financial statements through the fiscal year ended September 30, 2005 and the draft statement for the fiscal year ended September 30, 2006. The anticipated completion and release date of the final 2006 audited financial statements is February 2009 with the 2007 financial statements expected to be released later in 2009. A Performer analysis has been completed for the 2005 financial statements and will be finalized for 2006 and 2007 once those financial statements have been released.

#### **Strategic Goal #1: Improve leadership and management capacity to effectively perform**

- *Performer Development:* The Performer is as a barometer of a government's financial health as of its most recent fiscal year end. The U.S. Virgin Islands Performer for 2005 was developed and shared with senior administration officials. The 2006 and 2007 Performers will be finalized once the Virgin Islands releases their 2006 and 2007 single audits.
- A presentation on the U.S. Virgin Islands' 2005 *Performer* was delivered to senior administration officials. Interest was expressed for 2006 and 2007 *Performer* information when it becomes available.

#### **Strategic Goal #2: Improve financial management systems and practices**

- Provided capital asset financial reporting requirements consult-training for a selected group of property and procurement employees, budget administrators, finance employees and legal staff which concentrated on new mandates related to both the accounting and financial reporting of capital assets and related activities such as annual depreciation expense and accumulated depreciation, and their original responsibility related to stewardship of these capital assets. Finalized policies related to capital asset activity, such as thresholds for capitalization, system triggers for the capturing of capital asset data, and the need for other relevant information related to capital asset activity.
- Provided advanced "Year End Closing" governmental accounting training to twenty-five (25) targeted USVI Department of Finance and selected accountants from other departments agencies. The training focused on the year end financial statement preparation and closing procedures

#### **Strategic Goal #3: Increase effectiveness of program results**

- Provided grants management training that resulted in seventeen (17) USVI federal grants managers and administrators completing Administrative Requirements and Cost Principles training. These trainings were held in the USVI to complement DOI OIA efforts to increase the capacity of the insular governments to effectively manage federal grant funded programs.

- Provided single audit training that resulted in seventy-three (73) federal grants managers and administrators completing single audit training that concentrated on how to be prepared for an audit, how the audit process works, the structure of audit findings, and dealing with audit findings. These trainings were held to bring attention to the USVI's deficiencies in completing timely and effective audited financial statements and to strategize on options for increasing both the efficiency and effectiveness of the USVI's single audits.
- Delivered procurement and contract management training on St. Thomas and St. Croix for sixty-five (65) USVI personnel assigned to the USVI Department of Property and Procurement as well as personnel performing procurement duties at several autonomous USVI agencies. Provided technical consultative assistance to the USVI for procurement policy reform namely the development of a new procurement code for the USVI that would be easier to administer and to amend and, less dependent on the political process.
- Delivered Performance-Based Budgeting training and consulting for one hundred and thirty-one (131) targeted employees throughout the Virgin Islands' Government in an effort to support the Government's efforts to implement Performance-based Budgeting.
- Conducted a review of the USVI Government's implementation of performance management progress to date which included recommendations for next steps.

**Strategic Goal #4: Institutionalize regional professional organizations and communities of practice**

- Delivered sixty-four (64) hours of audit planning, program development, working paper documentation, audit report writing, government audit standards and risk based performance audit planning training to the staff of the USVI's Office of the Inspector General (OIG).
- Continued involvement of key USVI personnel in IGFOA and APIPA initiatives
- Continued training of key public audit personnel to provide CPE credits and to maintain qualifications

**Strategic Goal #5: Improve capacity and capabilities of public sector work force in critical positions and functions**

- Enrolled two (2) participants from the USVI's Department of Finance in the 2008-2009 Executive Leadership Development Program.



## **VIRGIN ISLANDS**

### **2009 Requests for PITI Assistance**

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The U.S. Virgin Islands requested VITI assistance in 2009 to support several key government initiatives. Following are areas VITI plans to provide assistance to the U.S. Virgin Islands in 2009 aligned with VITI's strategic goals.

**Strategic Goal #1: Improve leadership and management capacity to effectively perform**

- Development of the USVI's 2006 and 2007 Performometers
- Leadership development and strategic planning for key departments

**Strategic Goal #2: Improve financial management systems and practices**

- Finance Office Assessment / Financial Management
- Governmental Accounting and Reporting Training
- Accounting Standards Update Training

**Strategic Goal #3: Increase effectiveness of program results**

- Grants Management Training
- Performance Based Budgeting Implementation Support
- Accounting process consult-training to compliment the Virgin Islands Single Audit Improvement Plan
- Procurement and Contract Management Training

**Strategic Goal #4: Institutionalize regional professional organizations and communities of practice**

- Continued involvement of key USVI personnel in IGFOA and other initiatives
- Continued training of key public audit personnel to provide CPE credits and to maintain qualifications.

**Strategic Goal #5: Improve capacity and capabilities of public sector work force in critical positions and functions**

- Provide human resource training to support Department of Finance efforts to attract and retain skilled personnel





**VI. OVERVIEW OF FISCAL YEAR 2008 ACTIVITIES: U.S. VIRGIN ISLANDS  
(DECEMBER 20, 2007 TO DECEMBER 19, 2008)**

**Quarter One (Dec 20, 2007 – Mar 31, 2008)**

| COURSE  | DATES        | PARTICIPANTS |
|---|--------------|--------------|
| Administrative Requirements and Cost Principles for Grants and other Agreements | Feb 19-20    | 17           |
| Surviving the Audit   | Feb 21       | 37           |
| Surviving the Audit   | Feb 22       | 36           |
| CONSULT-TRAINING  | DATES        | PARTICIPANTS |
| Fixed Asset Consultation  | Feb 4-8      | 15           |
| Perfometer Presentation   | Feb 7        | 5            |
| Performance Based Budgeting Consultations                                       | Feb 28-Mar14 |              |
| Department of Tourism   | Feb 28       | 7            |
| Department of Justice   | Feb 29       | 13           |
| Bureau of Corrections   | Feb 29       | 2            |
| Department of Agriculture   | Mar 3        | 13           |
| Juan F. Luis Hospital   | Mar 4        | 5            |
| Office of Management & Budget   | Mar 5        | 8            |
| Department of Property & Procurement  | Mar 6        | 8            |
| Internal Revenue Bureau   | Mar 7        | 11           |
| Fire Service Agency   | Mar 10       | 5            |
| Department of Public Works  | Mar 11&12    | 28           |
| VITRAN  | Mar 11&12    | 1            |
| Department of Human Services  | Mar 12&13    | 19           |
| VIDOL   | Mar 12&13    | 1            |
| Department of Labor   | Mar 14       | 10           |

**Quarter Two (Apr 1 – Jun 30, 2008)**

| COURSE  | DATES       | PARTICIPANTS |
|---|-------------|--------------|
| Procurement and Contract Management for Government Officials (St. Thomas) | Jun 19-20   | 24           |
| Post-Award Contract Administration (St. Thomas)                           | Jun 23-24   | 25           |
| Post Award Contract Administration (St. Croix)                            | Jun 25-26   | 16           |
| CONSULT-TRAINING  | DATES       | PARTICIPANTS |
| Capital Asset System Implementation                                       | Apr 14-15   | 20           |
| Procurement Consultation  | Jun 18 & 27 | 10           |
| Performance Based Budgeting Evaluation                                    | Jun 24-26   | 50           |

**Quarter Three (Jul 1 – Sep 30, 2008)**

| COURSE | DATES | PARTICIPANTS |
|--------|-------|--------------|
|--------|-------|--------------|

No Training Courses were delivered in the U.S. Virgin Islands during this quarter

| CONSULT-TRAINING | DATES | PARTICIPANTS |
|------------------|-------|--------------|
|------------------|-------|--------------|

No Consult-Trainings were delivered in the U.S. Virgin Islands during this quarter

**Quarter Four (Oct 1 – Dec 19, 2008)**

| COURSE | DATES | PARTICIPANTS |
|--------|-------|--------------|
|--------|-------|--------------|

|  |           |    |
|--|-----------|----|
| Audit Documentation Series: Planning, Programs, Papers, and Presenting | Oct 20-24 | 18 |
|--|-----------|----|

|                                      |         |    |
|--------------------------------------|---------|----|
| Government Auditing Standards Review | Nov 5-6 | 20 |
|--------------------------------------|---------|----|

|                                       |         |    |
|---------------------------------------|---------|----|
| Risk Based Performance Audit Planning | Nov 6-7 | 18 |
|---------------------------------------|---------|----|

|  |          |    |
|--|----------|----|
| Preparing for the Financial Statement Year End Close | Dec 8-12 | 25 |
|--|----------|----|

| CONSULT-TRAINING | DATES | PARTICIPANTS |
|------------------|-------|--------------|
|------------------|-------|--------------|

No Consult-Trainings were delivered in the U.S. Virgin Islands during this quarter

**Virgin Islands Training Initiative Totals:**

|                                     |     |
|-------------------------------------|-----|
| Total U.S. V.I. Course Participants | 236 |
|-------------------------------------|-----|

|   |     |
|---|-----|
| Total U.S. V.I. Consult-Training Participants | 231 |
|---|-----|

**VII. OVERVIEW OF FISCAL YEAR 2008 ACTIVITIES: PACIFIC ISLANDS  
(DEC 20, 2007 TO DEC 19, 2008)**

**Quarter One (Dec 20, 2007 – Mar 30, 2008)**

| COURSE  | SITE  | DATES        | PARTICIPANTS |
|---|-------|--------------|--------------|
| Planning, Obtaining, and Successfully Completing Grants and Contracts         | AS    | Feb 19-22    | 30           |
| Administrative Requirements and Cost Principles for Grants & other Agreements | AS    | Feb 25-28    | 32           |
| Strategic Planning for Government Organizations                               | Guam  | Feb 25-28    | 40           |
| Audit Planning and Audit Program Development                                  | Guam  | Feb 25       | 11           |
| Effective Working Paper Documentation   | Guam  | Feb 26       | 11           |
| Critical Thinking Skills for Auditors   | Guam  | Feb 27       | 11           |
| Effective Audit Report Writing  | Guam  | Feb 28-29 11 |              |
| Project Management  | CNMI  | Mar 3-6      | 26           |
| Audit Evidence and Effective Working Paper Documentation                      | Palau | Mar 3-4      | 20           |
| Critical Thinking Skills for Auditors   | Palau | Mar 5        | 16           |
| Effective Audit Report Writing  | Palau | Mar 6-7      | 17           |

| CONSULT-TRAINING  | SITE  | DATES     | PARTICIPANTS |
|---|-------|-----------|--------------|
| Performer Presentation (Admin.)                                   | Guam  | Feb 15    | 15           |
| Performer Presentation (Legislature)                              | Guam  | Feb 22    | 20           |
| Strategic Planning/Teambuilding (MOF)                             | Palau | Feb 21-26 | 35           |
| Performer Presentation (House)                                    | CNMI  | Feb 26    | 25           |
| Performer Presentation (Senate)                                   | CNMI  | Feb 27    | 20           |
| Indirect Cost Consultation  | AS    | Feb 29    | 10           |
| Fiduciary Responsibilities/Economic Development Overview (House)  | CNMI  | Feb 29    | 20           |
| Fiduciary Responsibilities/Economic Development Overview (Senate) | CNMI  | Feb 29    | 20           |
| Audit Office Assessment Tool Design                               | CNMI  | Feb 28-29 | 5            |

**Quarter Two (Apr 1 - Jun 30, 2008)**

| COURSE | SITE | DATES | PARTICIPANTS |
|--------|------|-------|--------------|
|--------|------|-------|--------------|

|  |      |              |              |
|--|------|--------------|--------------|
| Developing and Negotiating Central Services Cost Allocation Plans and Indirect Cost Rate Proposals | Guam | Apr 29-May 2 | 24           |
| Auditing Indirect Costs  | Guam | May 7        | 12           |
| CONSULT-TRAINING   | SITE | DATES        | PARTICIPANTS |
| DOA FMS Needs Assessment   | Guam | Apr 18       | 10           |
| Grants Management Consultation   | Guam | Apr 28       | 20           |
| Strategic Planning (OPA)   | Guam | Apr 30-May 2 | 15           |
| Indirect Cost Consultation   | Guam | May 5-8      | 25           |
| Secretary Retreat  | RMI  | May 6-9      | 50           |
| REGIONAL ACTIVITIES  |      |              |              |
| GFOA Conference  | FL   | Jun 15-20    | 22           |

### Quarter Three (Jul 1 – Sep 30, 2008)

|   |        |              |              |
|---|--------|--------------|--------------|
| COURSE  | SITE   | DATES        | PARTICIPANTS |
| Introduction to Governmental Accounting And Reporting                 | Chuuk  | Jul 21-25    | 15           |
| Developing and Implementing Management Controls                       | AS     | Aug 4-8      | 13           |
| Planning, Obtaining, and Successfully Completing Grants and Contracts | CNMI   | Aug 18-21    | 20           |
| Administrative Requirements and Cost Principles                       | CNMI   | Aug 25-28    | 20           |
| Audit Evidence and Working Papers                                     | FSM    | Sep 1-2      | 20           |
| Writing Value-Added Audit Reports                                     | FSM    | Sep 3-5      | 20           |
| Audit Evidence and Working Papers                                     | RMI    | Sep 8-9      | 8            |
| CONSULT-TRAINING  | SITE   | DATES        | PARTICIPANTS |
| Compact Finance Consult   | Palau  | Jul 23-24    | 20           |
| Fiscal Reform Consult   | RMI    | Jul 29-Aug.1 | 25           |
| Indirect Cost Consultation  | CNMI   | Aug 14-15    | 25           |
| Grants Management Consultation  | CNMI   | Aug 22       | 25           |
| Perfometer Presentation   | FSM    | Sep 8-9      | 75           |
| REGIONAL  | SITE   | DATES        | PARTICIPANTS |
| 2008 APIPA Conference   | Saipan | Jul 14-18    |              |
| Emerging Issues in Government Auditing & Accounting                   |        |              | 200          |
| Interviewing Techniques for Auditors                                  |        |              | 22           |
| Presentation Skills for Auditors                                      |        |              | 31           |

|  |      |
|--|------|
| Auditor Roles in Government Performance Measurement        | 59   |
| Key Yellow Book Performance Auditing Concepts              | 73   |
| Risk-based Performance Audit Project Planning              | 42   |
| 2007 Government Auditing General Standards & Peer Review   | 47   |
| Coaching & Counseling for Improved Auditor Performance     | 23   |
| Everybody Loves Cash: Basic Cash Controls                  | 74   |
| Best Practices of High Performing Finance Offices          | 58   |
| Magical Mystery Tour: Unraveling the Year-End Close        | 48   |
| Managing for Continuous Improvements of Finance Operations | 72   |
| Fraud 101: Increasing Your Fraud Awareness                 | 91   |
| Single Audit Update  | 98   |
| Topics in Investment Management                            | 85   |
| Ethical Decision-Making for Auditors & Finance Officers    | 179  |
| Total Certificates Awarded at APIPA 2008                   | 1202 |

#### Quarter Four (October 1 – December 19, 2008)

| COURSE  | SITE   | DATES         | PARTICIPANTS |
|---|--------|---------------|--------------|
| Administrative Requirements and Cost Principles for Grants and Other Agreements | Palau  | Sep 29-Oct. 3 | 10           |
| Intermediate Governmental Accounting And Reporting                              | AS     | Nov 10-14     | 18           |
| Preparing for the Financial Statement Year End Close                            | AS     | Nov 17-21     | 5            |
| CONSULT-TRAINING  | SITE   | DATES         | PARTICIPANTS |
| Grants Management Consult-Training  | Palau  | Oct 6-9       | 25           |
| Finance Office (DOA) Assessment   | Guam   | Oct 13-17     | 25           |
| Audit Office Assessment   | Guam   | Oct 13- 23    | 15           |
| Financial Management Analysis   | FSM    | Nov 17-21     | 65           |
| REGIONAL  | SITE   | DATES         | PARTICIPANTS |
| Ethical Guidelines for Finance Professionals (PRIC)                             | Manila | Oct 10        | 300          |
| IGFOA Conference  | Kona   | Dec 2-4       | 20           |

#### Pacific Islands Training Initiative Totals:

|   |       |
|---|-------|
| Total Pacific Course Participants           | 1,612 |
| Total Pacific Consult-Training Participants | 590   |

## VIII. PROGRAM ADMINISTRATION AND STAFFING

The PITI/VITI Program is managed through the International Institute of the Graduate School, USDA, with the following staffing assignments:

Mr. **Jack Maykoski**, Senior Executive, is responsible for establishing program goals and operational objectives with program staff, monitoring program implementation, and ensuring that the program has full access to Graduate School resources. Five percent of his time will be dedicated to the program.

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Mr. **Stephen Latimer** serves as Program Manager for PITI/VITI. Located in Honolulu, Hawaii, Mr. Latimer supervises the project team, program development and implementation, and reports on program outcomes. He directly manages the services to the Government of Guam, Commonwealth of the Northern Mariana Islands, the Republic of Palau, and the U.S. Virgin Islands as well as cross-governmental projects.

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Mr. **Jason Aubuchon** serves as Project Manager for PITI. Based in Honolulu, Mr. Aubuchon is responsible for managing programs for American Samoa, the Republic of the Marshall Islands, the Federated States of Micronesia, and manages the project website and special projects.

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Ms. **Judith Perry** serves as the Training Specialist/Office Manager responsible for performing all administrative support tasks in support of the Pacific project.

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Ms. **Lee Malczon** serves the Program Assistant at the Pacific Center, responsible for the maintenance of the project participant database, the preparation of payment vouchers, and general administrative support.

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