THE PERFORMETER®
and the A.F.T.E.R. Analysis

A Financial Statement Analysis Using Indicators of the Financial Health and Success

and a

Status Report of Audit Findings, Timeliness and Exception Resolution (A.F.T.E.R.)

of

The Territory of American Samoa

as of and for the Year Ended September 30, 2009

Crawford & Associates, P.C
Oklahoma City, Oklahoma

What Is The Performeter®?

- An analysis that takes a government’s financial statements and converts them into useful and understandable measures of financial performance
- Financial ratios and a copyrighted analysis methodology are used to arrive at an overall rating of 1-10
- The overall reading is a barometer of ASG’s financial health and performance

How to Use The Performeter®

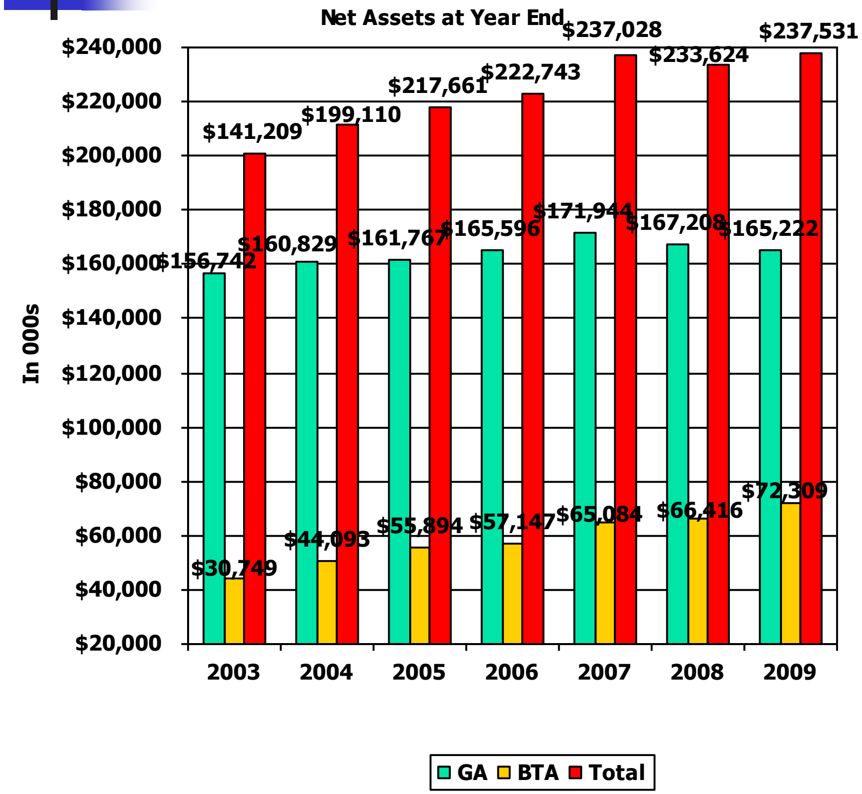
- Use the individual ratios to identify financial warning signals
- Use the overall rating as a collective benchmark of financial health and success of ASG as a whole
- Use the comparisons to prior years to monitor trends in financial indicators

Limitations of the Performeter®

- The Performeter® should not be used as the only source of financial information to evaluate ASG’s performance and condition
- The analysis is an overall rating of ASG as a whole and not of specific activities, funds or units
- The Performeter® is based on Crawford & Associates’ professional judgment and is limited as to its intended use

Change in Net Assets

Did our overall financial condition improve, decline or remain steady over the past year?

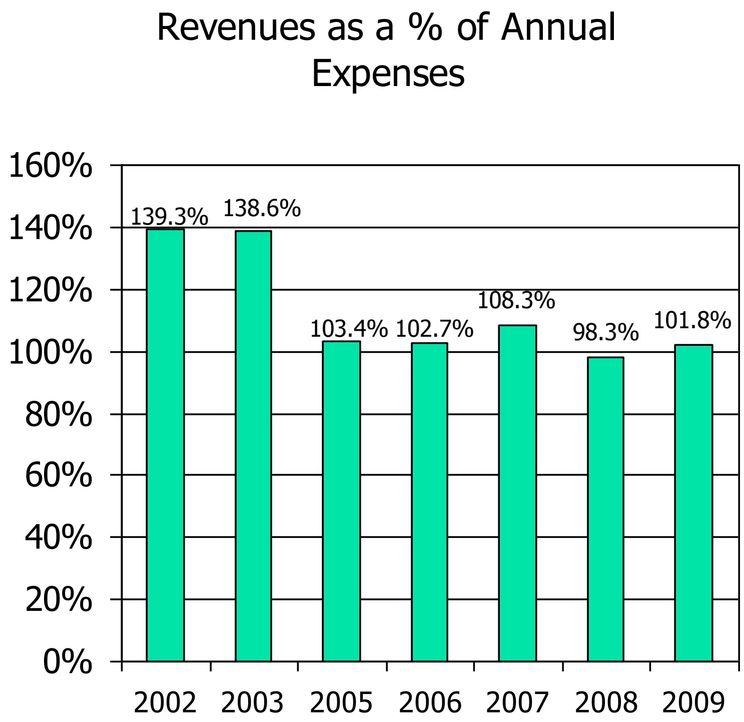


Net assets include all assets of ASG, except for fiduciary funds held for the benefit of others. It is measured as the difference between total assets, including capital assets, and total liabilities, including long-term debt.

For the year ended September 30, 2009, total net assets increased by $3.9 million or 1.7% from the prior year. Governmental activities (GA) net assets decreased by $2 million, while business-type activities (BTA) increased by $5.9 million. This overall increase represents was due in a large part to significant grant revenues for the airport for airport improvements.

2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
89.3%	42.2%	5.4%	2.9%	2.3%	6.4%	-1.4%	1.7%		

Intergenerational Equity
Who is paying for today's costs of services?



A measure of whether the government lived within its means in the measurement year, or was required to use prior year resources to fund a portion of current year costs, or shifted the funding of some of the current year costs to future periods.

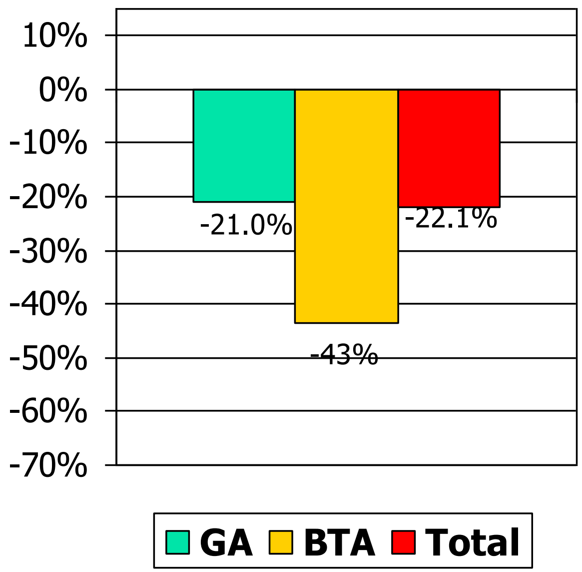
For the year ended September 30, 2009, ASG funded 101.8% of their expenses with current year revenues, which is considered an excellent ratio, and relatively consistent with that of the prior periods.

2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
139.3%	138.6%	106%	103.4%	102.7%	108.3%	98.3%	101.8%		

Level of Unrestricted Net Assets

How do our total rainy day funds look?

Unrestricted Net Assets (Deficit) as a % of Annual Revenues



The level of total unrestricted net assets is an indication of the amount of unexpended and available resources ASG has at a point in time to fund emergencies, shortfalls or other unexpected needs.

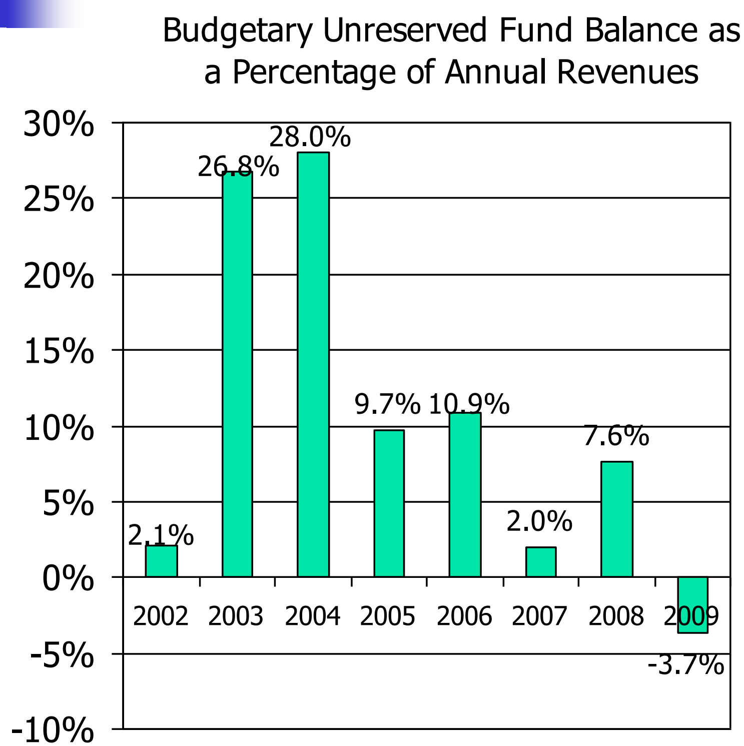
For the year ended September 30, 2009, ASG's total unrestricted net assets were in a deficit position that approximated 22.1% of annual total revenues. Governmental activities reported an unrestricted net assets deficit position of 21%, while business-type activities unrestricted net assets deficit reported a 43.4% level.

This is a continued decline from the prior years, and considered an unfavorable ratio.

2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
-2.1%	7.2%	2.4%	-2.9%	-10.3%	-11.7%	-21.3%	-22.1%		

Level of Budgetary Fund Balance

How does our budgetary carryover look?



The level of budgetary unreserved fund balance is an indication of the amount of unexpended, unencumbered and available resources ASG has at a point in time to carryover into the next fiscal year to fund budgetary emergencies, shortfalls or other unexpected needs. In this analysis, only the General Fund is considered.

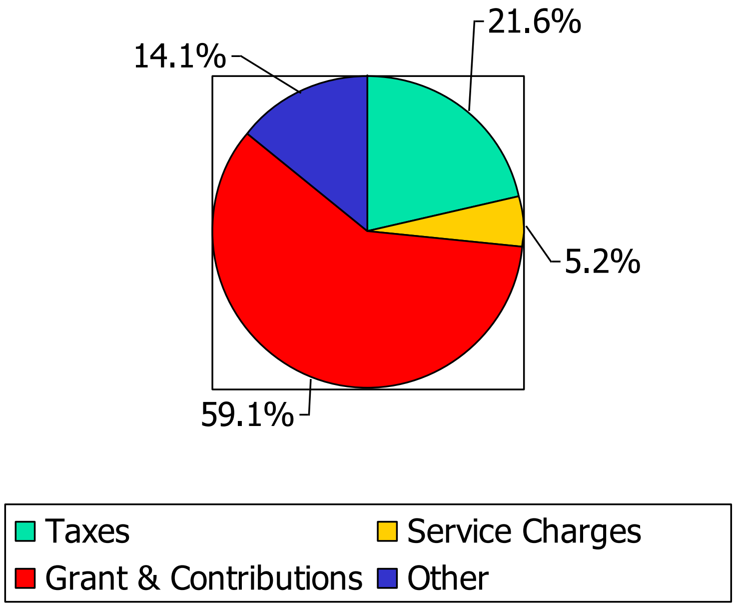
For the year ended September 30, 2009, ASG's unreserved fund balance had changed into a unreserved fund balance deficit, amounting to 3.7% of its annual revenues. This is the first year of the analysis that the General Fund has been in a deficit position.

2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
2.1%	26.8%	28.0%	9.7%	10.9%	2.0%	7.6%	-3.7%		

Revenue Dispersion

How heavily are we relying on revenue sources we can't directly control?

2009 Revenue Percentages by Source



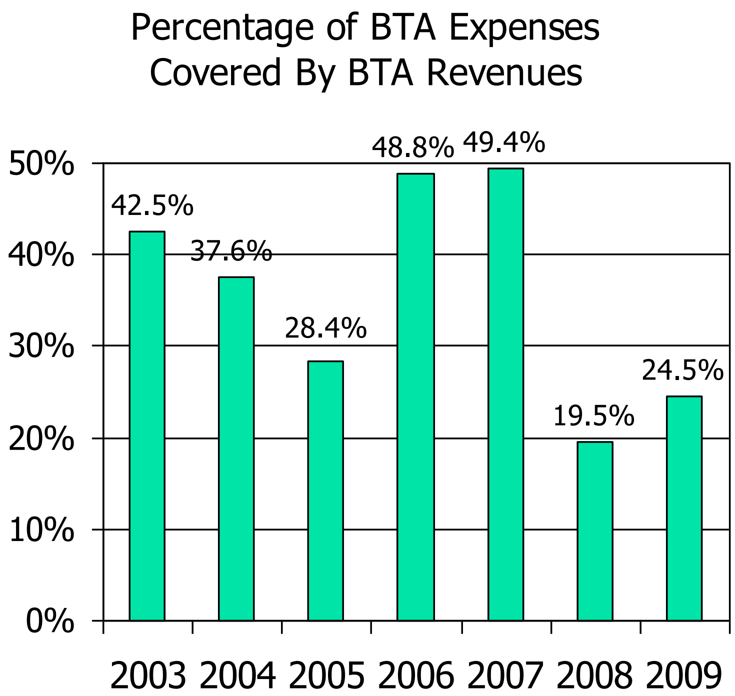
The percentage dispersion of revenue by source indicates how dependent ASG is on certain types of revenue. The more dependent ASG is on revenue sources beyond its direct control, such as grants, the less favorable the dispersion.

For the year ended September 30, 2009, ASG had direct control over 14.5% of its revenues (Excise taxes and charges for services). This ratio indicates ASG has some exposure, as do most governments, to financial difficulties due to reliance on non-controlled revenue (85.5%).

2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
15.7%	17.5%	20%	19.6%	18.4%	17.3%	15.5%	14.5%		

BTA Self-Sufficiency

Did current year business-type activities (BTA) pay for themselves?



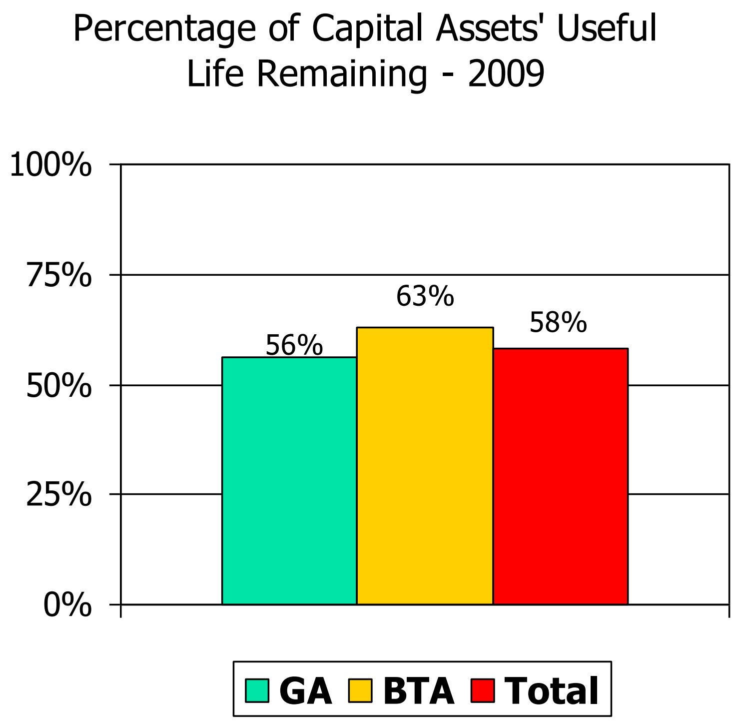
The self-sufficiency ratio indicates the level at which business-type activities (such as the industrial park and airport) covered their current costs with current year revenues, without having to rely on subsidies, grants or use of prior year reserves.

For the year ended September 30, 2009, ASG's total business-type activities were 24.5% self-sufficient. This indicates that most of the current year costs were not funded by recurring current year revenues, although a slight improvement from the ratio in the prior year.

2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
44.7%	42.5%	37.6%	28.4%	48.8%	49.4%	19.5%	24.5%		

Capital Asset Condition

How much useful life do we have left in our capital assets?



The capital asset condition ratio compares capital assets cost to accumulated depreciation to determine the overall percentage of useful life remaining. A low percentage could indicate an upcoming need to replace a significant amount of capital assets.

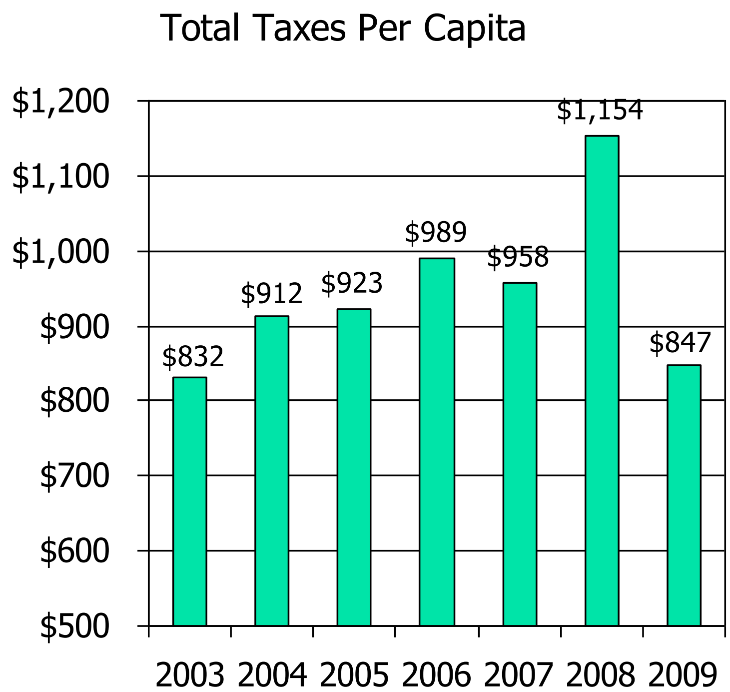
At September 30, 2009, ASG's depreciable capital assets amounted to $421 million while accumulated depreciation totaled $177.3 million. This indicates that, on the average, ASG's capital assets have 58% of their useful lives remaining. This is a relatively satisfactory financial indicator and nearly equal to that of the prior five years.

Governmental activity assets have 56% of their useful lives remaining while BT activities have 63% remaining, which is nearly equal to the ratio of the prior year.

2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
54%	59%	61%	61%	60%	59%	58%	58%		

Financing Margin - Taxes

Will our citizens be willing to pay increased taxes for operations or capital improvements, if needed?



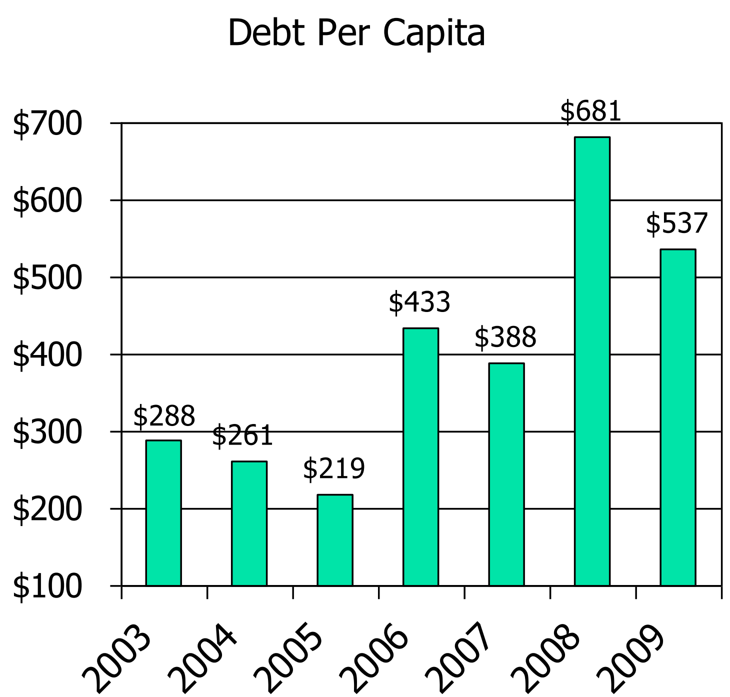
The financial ratio of taxes per capita is an indication of ASG's tax burden on its citizens and other taxpayers. The ratio includes all taxes, including gross receipts, income and other taxes.

For the year ended September 30, 2009, total taxes amounted to $48.5 million or $847 per capita. This indicates a relatively low tax burden when compared to other insular governments, and is a fairly significant difference with the ratio of the prior year.

2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
$753	$832	$912	$923	$989	$958	$1,154	$847		

Financing Margin - Debt

Will we be able to issue more debt, if needed?



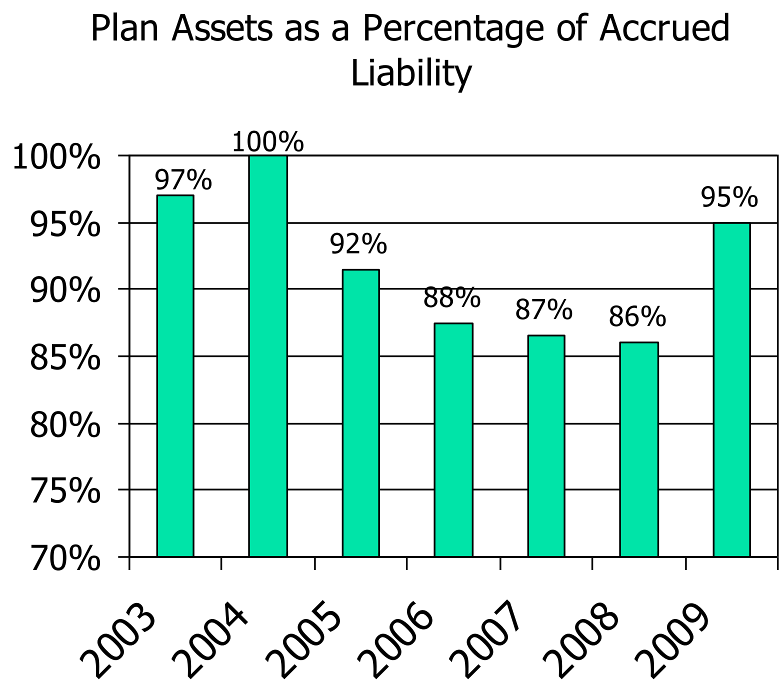
The financial ratio of debt per capita is an indication of ASG’s debt burden on its citizens and other taxpayers. The ratio does not consider debt payable from enterprise activities or alternate revenues.

For the year ended September 30, 2009, ASG had $30.7 million of long-term debt or $537 per capita which is a relatively low debt burden on its citizens when compared to other insular governments, and a decrease in the ratio of the prior year due to debt retirements.

2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
$326	$288	$261	$219	$433	$388	$681	$537		

Pension Plan Funding Ratio

Will we be able to pay our employees when they retire?



The pension funding ratio compares the actuarial fair value of the pension plan's assets to the actuarial accrued liability for pension benefits. A percentage less than 100% indicates the plan is under-funded at the valuation date.

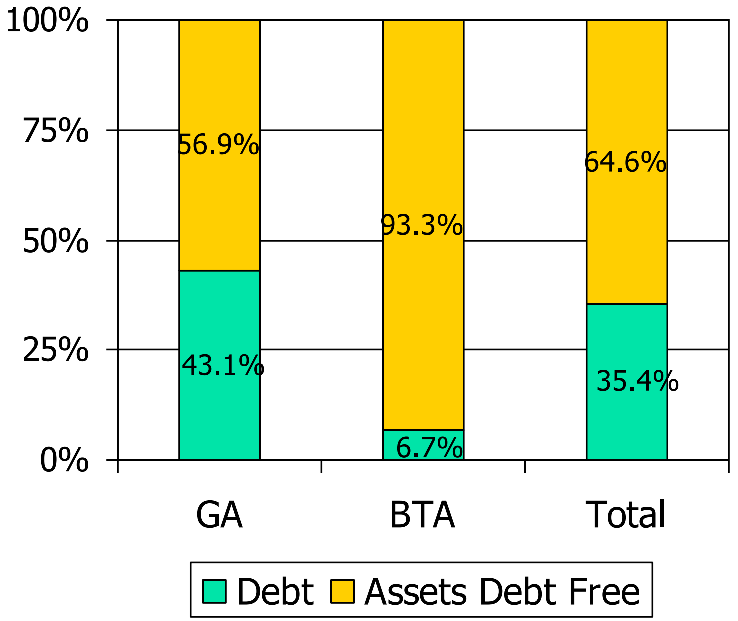
At September 30, 2009, ASG's pension plan assets were 95% of the actuarial accrued liability, an improvement from the ratio of prior year.

2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
93%	97%	100%	91.5%	87.5%	86.5%	86.0%	95%		

Debt to Assets

Who really owns ASG?

Percentage of Debt to Assets - 2009



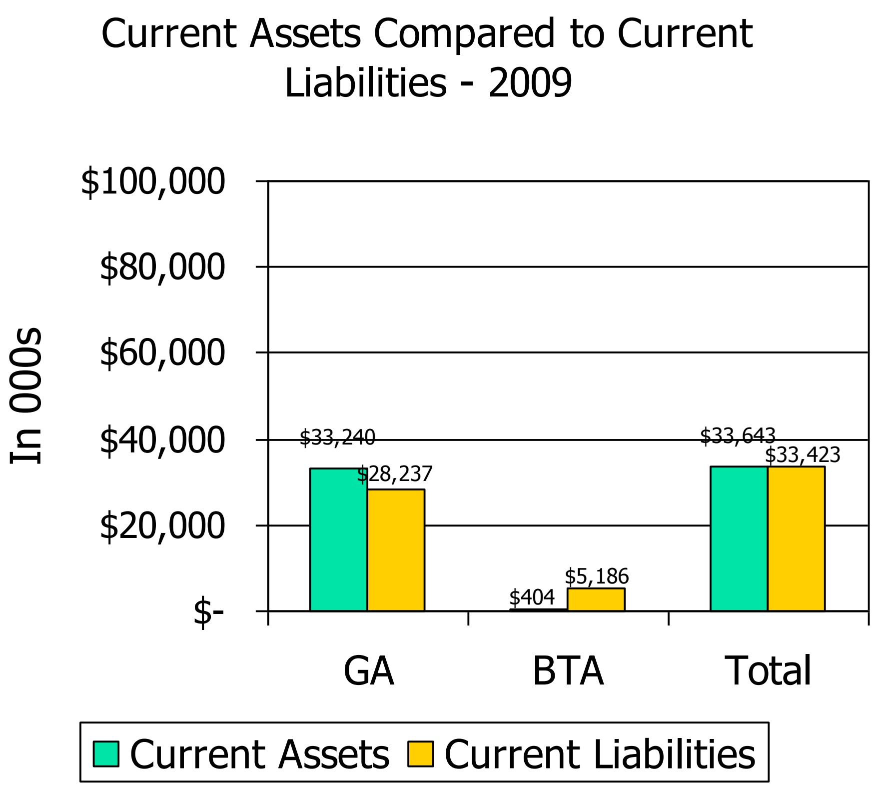
The debt to assets ratio measures the extent to which ASG had funded its assets with debt. The lower the debt percentage, the more equity ASG has in its assets.

At September 30, 2009, over one-third (35.4%) of ASG's $367.8 million of total assets were funded with debt or other obligations. This is an above satisfactory financial indicator and indicates that for each dollar of ASG assets it owns, it owes 35.4 cents of that dollar to others. However, this ratio has continued to decline since FY 2004

2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
34%	27.7%	28.7	27.8%	16.4%	28.7%	33.1%	35.4%		

Current Ratio

Will our vendors and employees be pleased with our ability to pay them on time?



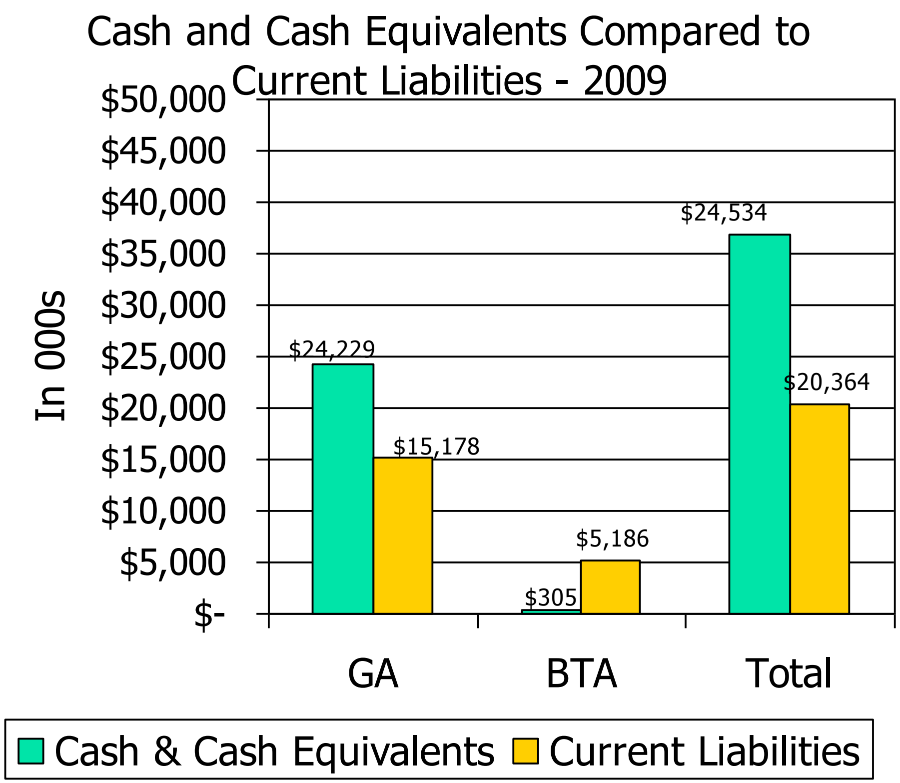
The current ratio is one measure of ASG's ability to pay its short-term obligations. The current ratio compares total current assets and liabilities. A current ratio of 2.00 to 1 indicates good current liquidity and an ability to meet the short-term obligations. This ratio includes only the General Fund, ASG's primary operating fund, and ASG's proprietary type funds.

At September 30, 2009, ASG had a ratio of current assets to current liabilities of 1.01 to 1. This indicates that ASG had $1.01 of current assets to pay each $1 of current liabilities and is considered a less than satisfactory indicator of liquidity, and a decrease in the ratio of the prior year.

2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
1.11	2.12	1.72	1.23	1.28	1.14	1.27	1.01		

Quick Ratio

How is our short-term cash position?

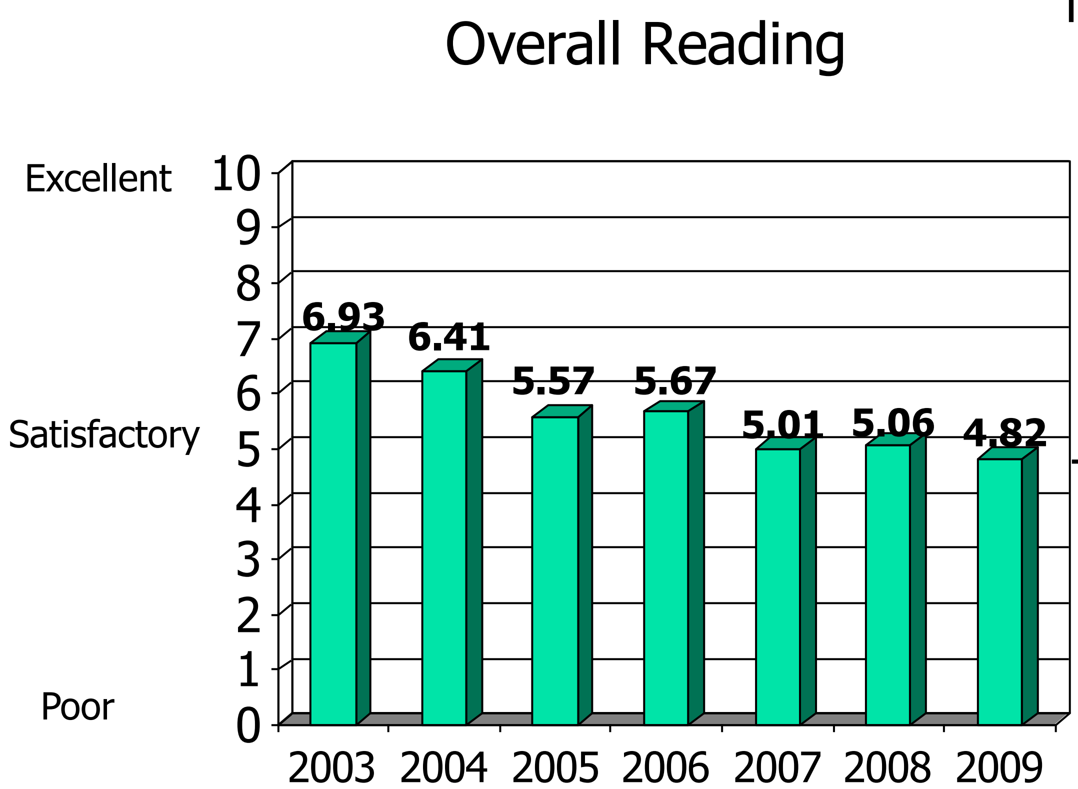


The quick ratio is another, more conservative, measure of ASG's ability to pay its short-term obligations. The quick ratio compares total cash and short-term investments to current liabilities, less deferred revenue. A quick ratio of 1.00 to 1 indicates adequate current liquidity and an ability to meet the short-term obligations with cash. This measure includes only the General Fund, ASG's primary operating fund, and ASG's proprietary type funds.

At September 30, 2009, ASG had a government-wide ratio of cash and cash equivalents to current liabilities of 1.20 to 1. This indicates that ASG has nearly one and one-quarter times the amount of cash and short-term investments to pay current liabilities. This is a considered an above satisfactory indicator of the ability to pay short-term current obligations, however it is a significant decline in the ratio from the prior year.

2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
1.17	3.10	1.16	.80	1.02	1.13	1.93	1.20		

Performeter® Reading



- The 2009 reading of 4.82 indicates the evaluator’s opinion that the American Samoa Government’s overall financial health and performance declined to a point just below satisfactory, mainly due to the General Fund deficit appearing for the first time since these readings have existed.
- The current year reading is a result of some ratios improving slightly, such as intergenerational equity, and others, such as the unreserved fund balance deficit of the General Fund, and current and quick ratios, declining.

What is the A.F.T.E.R. Analysis?

- The A.F.T.E.R. Analysis is very simply an analysis of the status of audit findings, the timeliness of the submission of the audit and the resolution of certain audit exceptions, this analysis 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.

A.F.T.E.R.

	2004	2005	2006	2007	2008	2009
Number of F.S. Opinion Qualifications/Exceptions	12	9	7	7	7	6
Number of Major Federal Program Qualifications/Exceptions	15	13	9	8	8	18
Number of F.S. Findings						
A. Internal Control and Compliance	6	7	7	7	7	6
B. Internal Control Only	0	0	0	0	0	0
C. Compliance Only	0	0	0	0	0	0
TOTAL	6	7	7	7	7	6
Percentage of Findings Repeated	100%	100%	100%	100%	100%	100%
Number of A-133 Findings						
A. Internal Control and Compliance	24	20	11	15	13	15
B. Internal Control Only	0	0	0	0	0	0
C. Compliance Only	0	0	0	0	0	0
TOTAL	25	20	11	15	13	15
Percentage of A-133 Findings Repeated	Unable to determine	Unable to determine	Unable to determine	Unable to determine	100%	Unable to determine
Number of months after Y/E the F.S. were Released	18	9	12	11	9	9
Number of Qualifications/Exceptions Related to C.U.	2	1	3	3	1	1
$ of Questioned Costs-Current Year	$51,076	$42,673	$102,041	$297,069	$100	$0
$ of Questioned Costs- Cumulative	Unable to determine	Unable to determine	Unable to determine	Unable to determine	Unable to determine	Unable to determine
$ of Questioned Costs Resolved – Current Year	Unable to determine	Unable to determine	Unable to determine	Unable to determine	Unable to determine	Unable to determine

Thank You

We would like to commend and thank ASG's management, The U.S. Department of Interior and the Graduate School for allowing us to present this financial analysis. We hope it serves as a useful and understandable compliment to ASG's annual financial report.

Visit our website at www.crawfordcpas.com for other useful tools for governments.