



# Pacific & Virgin Islands Training Initiatives

2024-2025  
ANNUAL REPORT

The Pacific & Virgin Islands Training Initiatives (PITI-VITI) is a program of the United States Department of the Interior's Office of Insular Affairs (DOI-OIA), administered by the the Graduate School USA. This report covers the program period April 1, 2024 to March 31, 2025. Additional program information is available online at [www.pitiviti.org](http://www.pitiviti.org).



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# ELDP Highlight

## Guam

**Master Navigator, Larry Raigetal, was a guest speaker during the first on-site ELDP session in Guam, sharing these remarks about leadership and knowing where you came from.**

“One first order of business for us when we leave is what we navigators identify as the ‘Land of Stern’. It’s not just about looking back physically— it’s about knowing where you came from, so you always understand where you’re headed. When you sail and the island disappears from view, the navigator turns to see how far it’s moved, not how far you’ve gone. Because in our mindset, the canoe is the center of the universe; everything else is moving. That mindset teaches us to adjust constantly and remember our origin.”



A. Samoa



CNMI



FSM



Guam



Palau



RMI



USVI

Cover:

CNMI Secretary of Finance, Tracy Norita and Chuuk Director of Finance, Jonas Paul in attendance at the Winter IGFOA. (December 2024)

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# About PITI-VITI

 [pitiviti.org](https://pitiviti.org)

*ELDP alumni, Serleen Hadley (FSM), Ryan Camacho (CNMI), Jasmine Myazoe (RMI), and Tracy Norita (CNMI), represented their governments at the Summer IGFOA conference in Orlando, FL.*



The U.S. Department of the Interior’s mission related to insular areas is specified in the Department’s Strategic Plan. Mission Area 4, “Fulfilling our Trust and Insular Responsibilities,” includes the goal to “strengthen economic and health capacities in the US Territories and fulfilling US compact obligations to the freely associated states.” Responsibility for this two-pronged goal is held by DOI’s Office of Insular Affairs (DOI-OIA), which assists the U.S.-affiliated islands in “developing more efficient and effective government by providing financial and technical assistance, and to help manage federal / islands relations by promoting appropriate federal policies.”

As part of DOI-OIA’s Technical Assistance Program, the Graduate School USA’s (GSUSA) International Institute provides training and related services through its Pacific and Virgin Islands Training Initiatives (PITI-VITI) to assist insular governments in improving government financial management and program performance across the Pacific and Virgin Islands.

# PITI-VITI Strategic Goals



### 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.



### Strategic Goal 4:

Institutionalize Regional Professional Organizations and Communities of Practice.



### Strategic Goal 5:

Improve the Capacity and Capabilities of the Public Sector Work Force in Critical Positions and Functions.

The PITI-VITI program was designed and developed by DOI-OIA. Under contract with GSUSA, PITI-VITI is managed in collaboration with insular area leadership and the audit and finance communities of practice. Since 1991, the collaborating parties envisioned PITI-VITI as a program to enable ongoing and evolving support to each insular area and across areas to achieve continuous improvements in auditing, grants management, leadership, economic development, human resources, and public financial management.

Five important issues have surfaced over time as cross-cutting, fundamental, and relevant—both for DOI-OIA in fulfilling important components of its mission, and for each of the insular areas in fulfilling their commitments to good governance. Over time, the breadth and depth of GSUSA’s activities to support DOI-OIA’s mission have broadened and deepened, as described in the list below.

## Financial Management and Accountability:

While each of the insular area finance offices utilizes modern financial management information systems, maintaining competence in evolving financial management standards remains challenging. Several insular areas struggle with high-risk grants status for various federal grants. The lack of proximity to federal representatives and resources has led to difficulties in managing financial systems and implementing best practices.

## Public Service Capacity:

Although the level and depth of talent across insular areas differ, the governments' workforce challenges are greatly compounded by the lack of well-planned and well-resourced succession programs to replace key personnel and leadership in virtually every insular area. Insular area governments struggle attracting and retaining qualified professional staff as they compete with the private sector and manage the effects of sustained outmigration, which severely limits the pool of qualified professionals. Moreover, high travel costs make professional training prohibitive for government entities, which find that the costs to retain trained professionals is extraordinarily high. Workforce development and scholarship programs also suffer from the high overall costs to attract and retain trained workers, as well as weak linkages to actual needs in each island's economy.

## Audit Timeliness and Quality:

Economic development depends significantly on good governance and fiscal responsibility. Compliance with the Single Audit Act is a major focus of U.S. assistance to the insular areas. Since 1999, the insular areas have progressed in the timeliness and quality of single audit issuance. However, substantial ongoing support is required to sustain the hard-won current achievements against the headwinds of complex U.S. GASB standards and the relentless impact of attrition on island budget and finance offices.

## Fiscal Reform and Stability:

The insular economies generally suffer from low growth rates and vulnerability to external shocks, resulting in volatile economic outcomes over time. Reliance on tourism creates both economic and fiscal challenges for insular areas. The failure to modernize tax regimes and broaden tax bases—coupled with undisciplined or inattentive spending—has led all the insular areas to suffer from at least one recent period of fiscal distress, with most insular areas experiencing repeated cycles of fiscal distress. Reliance on U.S. federal assistance varies across the insular areas, but most governments strive to reduce this reliance through enhanced economic growth and improved public financial management. An often-stated goal and long-awaited diversification of economic activity has proven elusive. Similarly, loud and persistent calls for improved public sector dialogue with the private sector and improved public sector policies in support of private sector growth require effective and sustained implementation. Fiscal reform to achieve a stronger and more predictable economy is necessary to improve private sector growth.

## Need for Rapid Response to Urgent, Emerging Issues:

The insular areas remain among the most geographically isolated of the U.S. government's constituents. As crises emerge—whether fiscal, economic, or environmental—the lack of access to professional expertise becomes more pronounced. Professional technical support which can be mobilized quickly remains an ongoing need.

Through PITI-VITI's annual planning processes, program managers work in close collaboration with insular government officials to review accomplishments, assess effectiveness, develop training plans, and budget for planned activities. Periodically, PITI-VITI management revises its strategic plans to focus its efforts and resources on the most critical emerging issues facing the insular governments and DOI-OIA.

PITI-VITI's vision is informed by the Department of the Interior's "Strategic Plan for Fiscal Years 2018-2022" and DOI/OIA's "Budget Justification and Performance Information" issued annually. These documents highlight the following strategies:

- ★ Supporting self-governance and self-determination, as measured by the quality and impact of insular government single audits;
- ★ Strengthening economic capacities in the insular areas, as measured by increased investment in infrastructure, public services, and private sector development;
- ★ Fulfilling U.S. Compact obligations.

Specifically, the DOI-OIA Strategic Plan seeks to "equip the insular areas with the statistical and management information necessary for informed leadership decision making, expert consultants to effectively improve insular government financial policies and procedures, and strong financial management systems along with technical planning abilities."

As such, PITI-VITI's vision is to "provide 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 this vision and mission, PITI-VITI works to achieve the five strategic goals highlighted below. Each of the activities implemented by PITI-VITI in 2019 supports the strategic goals above. In addition, PITI-VITI utilizes performance measurement and monitoring mechanisms to assess its progress toward meeting program goals and ensuring accountability.

*The Graduate School USA is headquartered in Washington, DC, and has been serving the US federal government for over 100 years.*

# About the Graduate School USA

🌐 [graduateschool.edu](https://graduateschool.edu)



The Pacific & Virgin Islands Training Initiatives (PITI-VITI) are administered by the Graduate School USA (GSUSA), an institution that has been supporting public servants and the public sector for over 100 years. GSUSA has its roots as the first U.S. organization founded with the mission of providing continuing education to federal employees when it first opened its doors in October 1921. Then known as the USDA Graduate School, GSUSA was originally established by the Secretary of Agriculture with the express purpose of offering professional development courses for USDA scientists. From its beginnings, the focus of GSUSA has been to develop individuals to make government more efficient and effective.

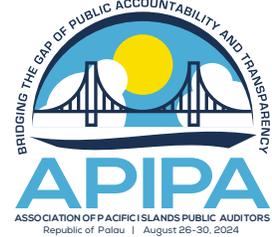
Graduate School USA is currently a wholly-owned subsidiary of American Public Education, Inc. (APEI). APEI is a leading education services provider that offers respected, innovative and affordable educational programs to the military, public health, and federal communities.

GSUSA connects people, ideas, and organizations by designing customized capacity-building solutions. Our international training and customized programs help current and future leaders grow professionally. Building on our legacy of leadership development and professional training, GSUSA supports a variety of clients, including U.S.-based agencies with global missions, international organizations, the private sector, non-governmental organizations, and academic and public institutions worldwide.

Today, GSUSA offers over 600 courses in financial management, grants management, accounting, auditing, human resource management and information technology, among others. GSUSA has experience working with more than 100 countries with access to hundreds of training courses and subject matter experts in nearly every field. GSUSA remains dedicated to helping government become more efficient and effective and to supporting working adults as they achieve occupational success and personal growth. Whether helping public sector professionals do their jobs more effectively or helping members of the community better position themselves to enter the workforce or move ahead in their careers, GSUSA's mission has remained consistent for over one hundred years.

# The Association of Pacific Islands Public Auditors (APIPA)

[apipa2024.pitiviti.org](https://apipa2024.pitiviti.org)



### Strategic Goal 3:

Increase Effectiveness and Program Results.



### Strategic Goal 4:

Institutionalize Regional Professional Organizations and Communities of Practice.

## Background

The Association of Pacific Islands Public Auditors (APIPA) is composed of public auditors from U.S.-affiliated insular areas—American Samoa, Guam, the Commonwealth of the Northern Mariana Islands, the Federated States of Micronesia, the Republic of the Marshall Islands, and the Republic of Palau—as well as public auditors from Samoa and Fiji. For more than 30 years, APIPA has hosted annual conferences on auditing and financial management, providing government auditors and finance professionals with essential training to meet government auditing and finance standards.

In addition to supporting the annual APIPA conferences, PITI-VITI provides each insular government public audit office the opportunity to attain up to 40 hours of Continuing Professional Education (CPE) credits annually for each employee. Through a combination of conference sessions and specialized audit training designed for insular governments, PITI-VITI works collaboratively with APIPA to strengthen public audit offices and support professional development across the Pacific region.



The complete APIPA 2024 Conference Report is available online at <https://pubs.pitiviti.org/apipa-2024>





**445**  
APIPA  
Participants



**16,084**  
CPE Credit  
Hours



**2,626**  
Course  
Certificates

## APIPA 2024 Conference Overview

The Association of Pacific Islands Public Auditors (APIPA) held its 35th Annual Conference from August 26–30, 2024, in Koror, Palau. Hosted by the Republic of Palau Office of the Public Auditor, the conference brought together 445 participants from across the Pacific to focus on strengthening transparency and governance under the theme “Strengthening Public Accountability Through Collaboration and Innovation.”

## Keynote Addresses and Remarks

Palau President Surangel Whipps Jr. opened the conference by acknowledging the vital contributions of public auditors and finance professionals:

*“We have to thank you, public audit and finance officials, for ensuring that we have an accountable government—a transparent government that is ultimately accountable to the people... [APIPA is] an investment to ensure that our people are better equipped to do the important work they have to do.”*

APIPA Chairman Saturnino Tewid also delivered opening remarks, emphasizing the critical role of accountability in the region. In addition, Carmen G. Cantor, U.S. Department of the Interior’s Assistant Secretary for Insular and International Affairs, addressed participants via video. She highlighted APIPA’s role in fostering collaboration to strengthen financial oversight and governance throughout the Pacific.

The opening keynote session, “Unlocking the Power of Strategic Oversight: A Roadmap to Success,” was presented by Kathleen Sedney, Deputy Assistant Inspector General for Inspections and Evaluations at

the U.S. Department of the Interior Office of Inspector General, and Matt Elliott, Assistant Inspector General for Investigations. Their session underscored the importance of auditors in maintaining transparency and accountability in government operations.

## Training and Course Offerings

Graduate School USA, through the Pacific and Virgin Islands Training Initiatives (PITI-VITI), provided subject matter experts in auditing, accounting, financial management, grants management, leadership, and external quality control reviews of audit offices.

The conference featured:

- ★ 21 courses covering key topics in auditing, financial management, and leadership
- ★ 11 instructors delivering specialized training
- ★ 2,626 course certificates awarded
- ★ 16,084 Continuing Professional Education (CPE) hours earned

## Closing Plenary Session

The conference concluded with a plenary session moderated by Drummond Kahn, featuring presentations from audit offices on recent audits and recommendations. Nine reports were shared, outlining ongoing efforts to improve accountability and auditing practices in the region. Kahn led a panel discussion addressing key takeaways and strategies for strengthening financial oversight.



*Dr. Jeanne Yamamura and Mr. David Bean, Graduate School USA Instructors, explaining the fundamentals of basic governmental accounting to participants at the APIPA 2024 Conference*



**Insular government presentation topics follow below:**

Office	Topic	Presenters
 Chuuk State Public Auditor's Office	Audit of the Department of Health Services: Issues found on Documentation, Inventory Systems and Warehousing.	Shannaleen Braiel
 Yap OPA	Public Transportation System 2023	Donovan Ken Defngin
 Palau OPA	Audit of National Health Insurance.	Romana Blailes
 Guam Office of Public Accountability	Guam Homeland Security / Office of Civil Defense Operating Costs Series, Part 1.	Vince Duenas and Mariella Cruz
 Federated States of Micronesia National OPA	Significant Compliance, Policy and Internal Control Issues Found in the Disposition of Public Vehicles.	Brandon Rodriguez
 American Samoa Office of the Territorial Auditor	Port Administration Accounts Receivable Audit.	Venasio Lemana
 Samoa Audit Office	Fraudulent and Internal Control Issues Associated with Procurement.	Ah Siu Lin
 CNMI Office of the Public Auditor	Government Vehicles Audit.	Miguel Demapan, Manuel Villagomez
 Republic of the Marshall Islands	Financial Statement Audit of School Buses.	Raymond Saipala and Ruson Mewa

## Looking Ahead

The 36<sup>th</sup> Annual APIPA Conference will be hosted by the Commonwealth of the Northern Mariana Islands Office of the Public Auditor in Summer 2025.

<https://apipa2025.org>



## APIPA by the Numbers

The 2024 APIPA Conference featured 21 courses, each evaluated by participants for quality and effectiveness. In addition to course-specific feedback, Graduate School USA conducted an electronic survey to assess attendees' overall conference experience. The aggregated results from these evaluations are summarized below.

APIPA tailors its courses each year to address the specific priorities of government audit and finance offices, while also providing introductory accounting and auditing courses for new participants. The 2024 conference attendees represented a mix of experience levels:

- ★ 45% attended for the first time
- ★ 31% had participated in two or three previous conferences
- ★ 15% had attended four to six times
- ★ 9% had participated seven or more times

## Conference Composition

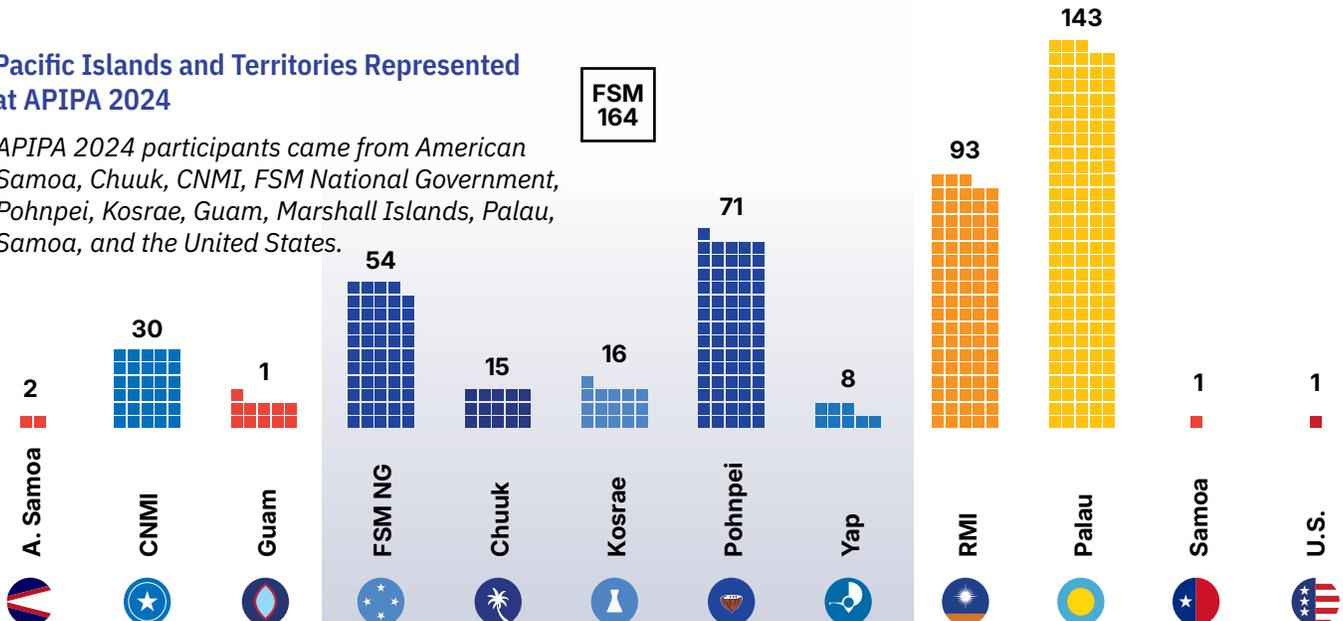
The 2024 APIPA Conference welcomed 445 participants, reflecting a 9% increase from the 2023 conference in the Marshall Islands. The largest delegation came from the Republic of Palau (143 participants), followed by the Federated States of Micronesia (164 participants across five national and state governments) and the Republic of the Marshall Islands (93 participants). Smaller delegations included the Commonwealth of the Northern Mariana Islands (30), Guam (11), American Samoa (2), Samoa (1), and the United States (1).

Participants also represented a range of professional backgrounds:

- ★ 16% from audit offices
- ★ 84% from finance, grants management, or other government offices

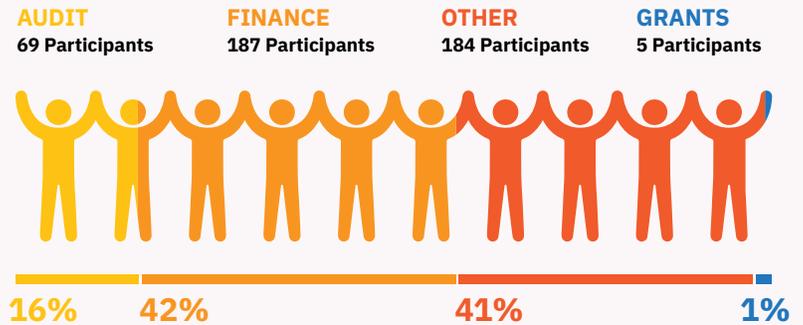
## Pacific Islands and Territories Represented at APIPA 2024

APIPA 2024 participants came from American Samoa, Chuuk, CNMI, FSM National Government, Pohnpei, Kosrae, Guam, Marshall Islands, Palau, Samoa, and the United States.



## Professions Represented at the APIPA 2024 Conference

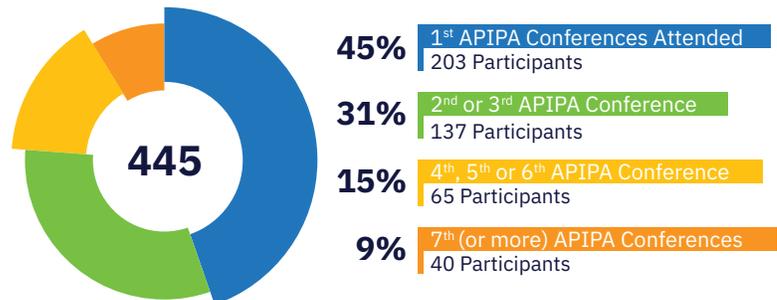
While 16 percent of participants came from audit offices, the remaining 84 percent represented finance offices, grants management offices, or other offices. Most attendees were from the public sector, representing central insular governments or state-owned enterprises.



## Participants by Frequency

The APIPA Conference had 445 total participants, with 203 (46%) being first-time attendees, 137 (31%) attending for the second or third time, 65 (15%) having attended four to six times, and 40 (9%) having attended seven or more times. The high number of repeat participants (54%) suggests strong retention and continued engagement, creating a balanced mix of fresh perspectives and experienced attendees that improves networking and knowledge sharing.

Conference Frequency	1	2	3	4	5	6	7	8	9	10
Number of Participants	203	93	44	28	26	11	9	5	5	13



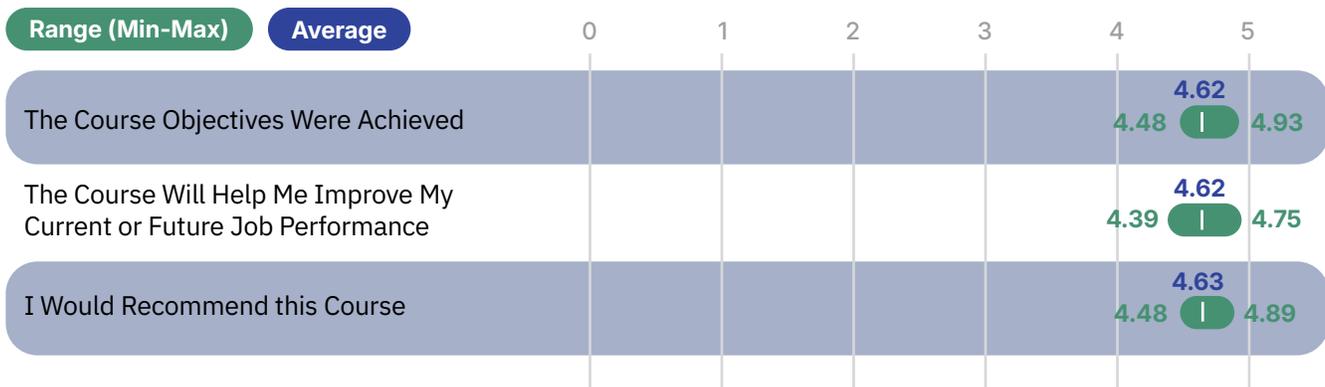
Palau participants proudly represented at the APIPA Conference.



## Course Evaluations

As part of the Graduate School USA evaluation process, conference participants were asked to complete a course evaluation after each session. These evaluations assessed course content, instructor effectiveness, and facilities and measured participants' knowledge of course content before and after the session.

To gauge the conference's overall success, the APIPA Secretariat focused on three representative questions. Respondents rated the 2024 APIPA courses highly, with an aggregate average score of 4.62 out of 5.



## Conference Feedback

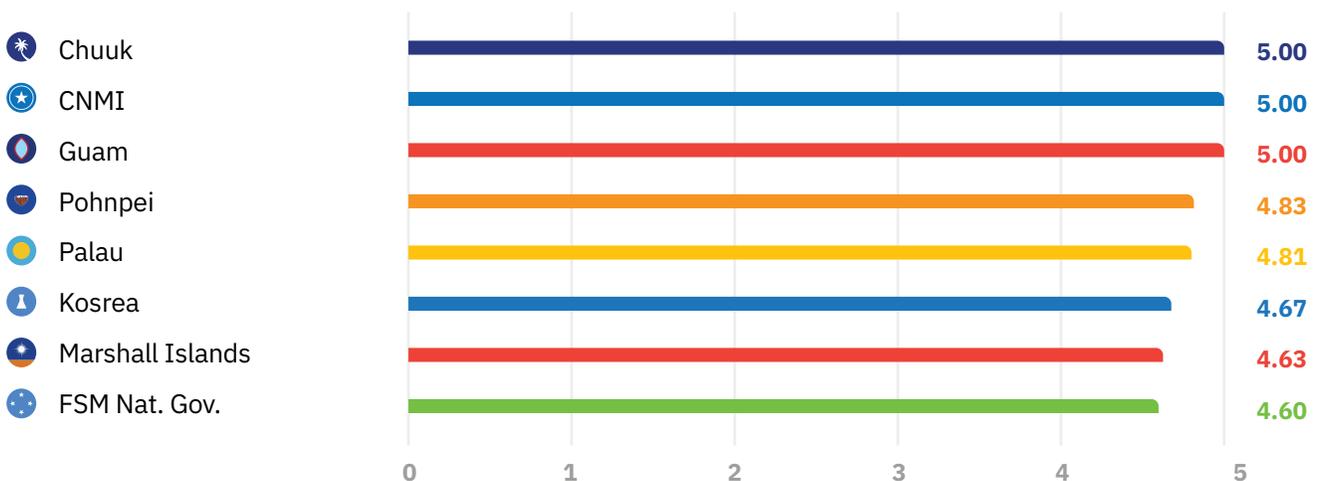
Following the conference, participants provided feedback on their overall experience:

- ★ 4.64 out of 5 – How well the sessions developed their knowledge and skills
- ★ 4.61 out of 5 – The variety of topics offered

Participants also overwhelmingly indicated that they would recommend the conference to a professional colleague, giving this question a rating of 4.78 out of 5.

Overall, participants recognized the conference's role in delivering training, professional development, and knowledge-sharing throughout the Pacific region—aligning with the core mission of APIPA and the PITI-VITI program.

Overall, I would recommend the 2024 APIPA Conference to a colleague. (4.78)





*Chuuk, FSM Director of Finance Jonas Paul with the Chuuk delegation to the summer IGFOA meeting (June 2024)*

# The Island Government Finance Officers Association (IGFOA)

[igfoa.pitiviti.org](http://igfoa.pitiviti.org)



### Strategic Goal 3:

Increase Effectiveness and Program Results.



### Strategic Goal 4:

Institutionalize Regional Professional Organizations and Communities of Practice.

The Island Government Finance Officers Association (IGFOA) serves as a professional network for Chief Financial Officers and senior financial staff from each U.S.-affiliated insular government. Since 2000, PITI-VITI has supported IGFOA’s efforts to strengthen financial management practices, enhance peer accountability, and share best practices across the insular areas. Modeled after the Government Finance Officers Association (GFOA), which serves finance professionals

in the U.S. and Canada, IGFOA addresses key financial topics including accounting, budgeting, economic management, debt administration, pension oversight, and financial technology—all of which are critical to insular governments.

Over the years, IGFOA’s focus has evolved to address the most pressing financial challenges facing insular



*Insular government IGFOA participants  
at the winter meeting in Honolulu, Hawaii  
(December 2024)*

governments. While early conferences emphasized technical accounting training, more recent gatherings have prioritized three key areas:

- ★ Improving the quality and timeliness of single audits across the insular areas.
- ★ Tracking finance office performance using key performance measures.
- ★ Assessing fiscal health through the Performeter, an independent financial analysis tool.

Beyond its core priorities, IGFOA continues to address emerging financial challenges affecting the insular areas. Recent meetings have focused on reducing audit delays and improving reporting timelines, particularly for FY2020–2022 audits. Meeting agendas have also included updates from the GFOA’s Federal Liaison Center, preparations for new GASB standards, and strategies to enhance collaboration between insular government finance and audit offices. Additional topics have recently included cybersecurity risks, the selection and transition to new financial management information systems, tax policy developments, funding outlooks, the impact of Compact renewals on the Freely Associated States, and workforce challenges linked to declining population trends.

In FY2024, the PITI-VITI program hosted two in-person IGFOA conferences and two virtual check-in meetings, ensuring that insular finance officers remained engaged in discussions on financial oversight, policy developments, and best practices throughout the year.

## IGFOA 2024 Virtual Spring Conference

The Island Government Finance Officers’ Association (IGFOA) held a virtual check-in meeting on April 5, 2024. Seventy-five government finance leaders and staff from the U.S.-affiliated Island jurisdictions attended the meeting. These included American Samoa, the Commonwealth of the Northern Mariana Islands, the Federated States of Micronesia—with its national government and the states of Chuuk, Kosrae, Pohnpei, and Yap—Guam, the Republic of the Marshall Islands, the Republic of Palau, and the U.S. Virgin Islands. Representatives from the Department of Interior Office of Insular Affairs and Graduate School USA Instructors and Staff were also present.

Before the meeting, insular governments received a template and were asked to report on their current and future audit status and to provide updates on key performance measures. Finance officers from each island government provided updates on changes since the December 2023 IGFOA meeting, including their audit status, key performance measures, and meetings with auditors.

The virtual meeting ended with the importance of maintaining and tracking performance measures not to allow standards to slip and a request to review and discuss the performance metrics at the next meeting. Plans for the IGFOA Summer Conference in Orlando, Florida, scheduled for June 8-13, 2024, were also presented.



<https://pubs.pitiviti.org/igfoa-virtual-spring-2024>



<https://pubs.pitiviti.org/igfoa-summer-2024>

## IGFOA 2024 Summer Conference

Finance officers and government financial officials from U.S.-affiliated insular areas gathered in Orlando, Florida, for the 2024 Summer GFOA and IGFOA conferences. Attendees included representatives from the Commonwealth of the Northern Mariana Islands (CNMI), the Federated States of Micronesia (FSM) (including the national government, Chuuk, Pohnpei, and Yap), Guam, the Republic of the Marshall Islands (RMI), the Republic of Palau, and the U.S. Virgin Islands (USVI).

The IGFOA held meetings before and after the 118th Government Finance Officers Association (GFOA) conference, providing insular government representatives with opportunities to discuss shared challenges and key financial management priorities. The pre-conference meeting took place on June 8, 2024, followed by the GFOA conference from June 9–12, 2024, and the IGFOA post-conference meeting on June 12, 2024.

During the pre-conference meeting, insular government representatives provided updates on their single audit status, identified challenges causing delays to issuance of their single audits, and discussed strategies to improve audit completion timelines. Participants also reviewed the GFOA conference agenda, selected sessions relevant to insular finance operations, and committed to sharing key takeaways from GFOA sessions during the IGFOA post-conference meeting.

At the GFOA conference, insular government participants joined over 7,000 attendees from the U.S., Canada, and other regions in attending more than 70 CPE-accredited sessions covering a range of emerging finance topics. Key themes included finance office management, process improvement, leadership, enterprise resource planning (ERP) systems, and accounting and financial reporting best practices.

The post-conference meeting provided an opportunity for participants to review key takeaways from the GFOA conference and discuss their applicability to insular governments. The agenda also included updates from the GFOA’s Federal Liaison Center, an overview of new GASB standards, and discussions on cybersecurity risks and mitigation strategies. To conclude the meeting, each insular government developed a three-step action plan to address key priorities, with follow-up updates scheduled for the IGFOA 2024 Virtual Fall Conference.

## IGFOA 2024 Virtual Fall Conference

The Island Government Finance Officers’ Association (IGFOA) held a virtual check-in meeting on October 11, 2024. Sixty-two government finance leaders and staff from the U.S.-affiliated Island jurisdictions, including American Samoa, the Commonwealth of the Northern Mariana Islands, the Federated States of Micronesia—the FSM national government, Chuuk, Pohnpei, and Yap—



<https://pubs.pitiviti.org/igfoa-2024-fall>

Guam, the Republic of the Marshall Islands, the Republic of Palau, the U.S. Virgin Islands attended the meeting.

The meeting served as a brief check-in to maintain momentum on improving audit timeliness across insular governments. Finance officers provided updates on their audit progress, reported on key performance measures, and highlighted recent successes. Participants shared details on their most recently completed audits, including submission dates and any financial, federal, or component unit qualifications. Additionally, they reviewed insular government finance office performance measures, such as overdue travel advances, timely bank reconciliations, and outdated encumbrances. Several offices also took the opportunity to showcase notable achievements, reinforcing progress in strengthening financial management practices.

## IGFOA 2024 Winter Conference

The Island Government Finance Officers' Association (IGFOA) held its Winter Conference in Honolulu, Hawaii, from December 10–12, 2024, bringing together finance officials from the Commonwealth of the Northern Mariana Islands (CNMI), Guam, the Republic of Palau, the Republic of the Marshall Islands (RMI), the U.S. Virgin Islands (USVI), and the Federated States of Micronesia (FSM), including Chuuk, Kosrae, Pohnpei, and Yap. The conference also included four representatives from the U.S. Department of the Interior's Office of Insular Affairs (DOI-OIA) from Washington, D.C., and Hawaii, who contributed to discussions on financial oversight and policy updates.

The primary focus of the 2024 IGFOA Winter Conference was on audit timeliness and financial management strategies. Key objectives included:

- ★ Providing updates on the status of single audits, with each insular government sharing progress on audit completion, outstanding financial issues, and reporting challenges.
- ★ Analyzing regional audit timeliness trends, identifying root causes of delays, and developing jurisdiction-specific action plans to improve timeliness and mitigate risks.
- ★ Addressing workforce capacity issues, particularly the impact of outmigration on recruiting and retaining finance professionals, and exploring solutions to strengthen financial workforce development.
- ★ Reviewing Performer results and other financial performance measures to support data-driven decision-making and fiscal accountability.
- ★ Developing practical action plans for insular governments to implement strategies aimed at enhancing audit quality, improving financial operations, and strengthening governance.

A representative from Ernst & Young (EY)—the primary auditor for most insular governments—joined the meeting to facilitate discussions, offering insights into the challenges auditors face in conducting and completing single audits. This discussion provided a



<https://pubs.pitiviti.org/igfoa-winter-2024-conference-report>



broader perspective on audit bottlenecks and areas where insular governments can streamline their processes to improve audit timelines.

Another critical discussion centered on public sector hiring challenges in insular finance offices, as rapid population decline and outmigration have made it increasingly difficult to recruit and retain skilled professionals. A key IGFOA presentation examined national and regional trends in public sector hiring, followed by panel discussions featuring insular government officials who shared firsthand experiences and strategies employed within their offices to address workforce shortages.

Additional sessions included updates on new GASB standards, a review of current audit timeliness and

modifications, and strategies to improve finance office performance. The DOI-OIA team also provided policy and funding updates, with representatives from the Policy, Budget, and Technical Assistance divisions sharing insights relevant to insular governments.

Looking ahead, IGFOA members will meet virtually in May 2025 for a progress check-in before convening in-person for the summer GFOA and IGFOA conferences, scheduled for June 29 – July 2, 2025, in Washington, D.C. These meetings will provide a forum for participants to report on action plan progress and share updates on audit timelines and financial management initiatives.

For more information about the IGFOA and its activities, please visit <https://pitiviti.org/igfoa>.



*U.S. Virgin Islands Finance Commissioner Kevin McCurdy with the USVI delegation to the summer IGFOA meeting (June 2024)*



*Marshall Islands participant Anthony Maika and Pohnpei participant Daisy Nanpei attend the IGFOA winter meeting (December 2024)*



# Economic Advisory Group for Palau

🌐 [palaueag.org](http://palaueag.org)

*EAG Chairman Dr. James Galbraith with H.E. Surangel Whipps, Jr., at the presidential inauguration in Palau (January 2025).*



## Strategic Goal 1:

Improve Leadership and Management Capacity to Effectively Perform.



## Background

In 2022, the United States and the Republic of Palau established an Advisory Group on Economic Reform (“Advisory Group”) as called for in the 2010 Palau Compact Review Agreement (“2010 CRA”). The purpose of the Advisory Group was “to contribute to the long-term economic sustainability of Palau by recommending economic, financial and management reforms.” Under Article 7 of the 2023 Compact Review Agreement (“2023 CRA”), the name of the group was modified to, “the Economic Advisory Group for Palau.” The Advisory Group’s purpose shall be to, “contribute to the economic growth and sustainability of Palau by recommending economic, financial, and fiscal management measures. Two Advisory Group meetings are scheduled to be held annually at locations agreed by the members. The Advisory Group is tasked to report, “annually by May 1 of each year,” for the purpose of informing U.S. and Palau government officials in advance of a bi-lateral “Annual Economic Consultation” to be held no later than August 30 of each year wherein the governments shall consider:

- i. The overall bilateral economic relationship;
- ii. Palau’s economic situation;
- iii. The status of and the Government of Palau’s use of all funds provided under [the 2023 CRA];
- iv. The audits required under Section 1 of Appendix D to [the 2023 CRA] and responses to audit findings;
- v. The Government of Palau’s implementation of and updates to the official national development plan described in Section 461 of the Compact and referenced in Section 231(a) of the Compact, and any other relevant plans;

- vi. The report described in Section 231 (b) of the Compact, including the information described in Article 5(a) of [the 2023 CRA];
- vii. The economic, financial, and management measures and recommendations referenced in Article 7 of [the 2023 CRA];
- viii. The Government of Palau’s achievements in economic and financial management, including as reflected in assessments and reports by the Advisory Group, the International Monetary Fund, the Asian Development Bank, and the Public Expenditure and Financial Accountability program, as available; and
- ix. Other pertinent issues or measures taken by the Signatory Governments.

In 2022, the governments of the United States and Palau named five Advisory Group members. Subsequently those same members were given 3-year terms (renewable) as of entry-into-force of the 2023 CRA, March 15, 2024.



### **Dr. James K. Galbraith, Chairman**

Selected by the United States from among three candidates provided by Palau. Dr. Galbraith holds the Lloyd M. Bentsen Jr. Chair in Government/Business Relations at the Lyndon B. Johnson School of Public Affairs and a professorship in Government at The University of Texas at Austin.



### **Dr. Denise Eby Konan**

Member designated by the United States. Dr. Konan is Dean of the College of Social Sciences and Professor of Economics at the University of Hawaii at Mānoa. As Dean, she provides leadership to twelve academic departments that deliver nearly a fifth of the degrees offered on campus.



### **Dr. Peter Watson**

Member designated by the United States. Dr. Watson is President & CEO of The Dwight Group, the D.C.- based investment bank. He previously served as President & CEO of the U.S. Overseas Private Investment Corporation (OPIC), now the U.S. Development Finance Corporation (DFC). Prior to OPIC, Dr. Watson served as Chairman of the U.S. International Trade Commission (ITC).



### **Hon. Kaleb Udui, Jr.**

Member designated by the Republic of Palau. Mr. Udui serves as the Minister of Finance for the Republic of Palau under the Whipps administration since his confirmation in February 2021. Previously, Mr. Udui served as President of the National Development Bank of Palau and as a private businessman.



### **Dr. Naoyuki Yoshino**

Member designated by the Republic of Palau. Dr. Yoshino is Professor Emeritus at Keio University, Tokyo, Japan and until March 2020 was Dean of the Asian Development Bank Institute (ADBI). Dr. Yoshino has served as a visiting scholar at the Massachusetts Institute of Technology (United States), University of New South Wales (Australia), Fondation Nationale des Sciences Politiques (France), and University of Gothenburg (Sweden).

The 2023 CRA also mandated that, “subject to the availability of appropriated funds, the Government of the United States shall provide for technical and administrative assistance for the Advisory Group and support necessary for it to accomplish its purpose.”

## Secretariat to the Advisory Group

The Graduate School USA (GSUSA), under contract with the Department of the Interior through the Pacific Islands Training Initiative, serves as the Secretariat to the Advisory Group. This role aligns with GSUSA’s management of the Economic Monitoring and Analysis Program (EconMAP), which provides economic data and analysis for Palau.

Since 2012, EconMAP has produced three key annual reports for Palau:

1. Economic Review – An independent, third-party assessment of Palau’s economic and policy environment.
2. Economic Brief – A summary of key economic findings and trends.
3. Statistical Appendix – Developed in collaboration with Palau officials and adopted as the nation’s official economic data.

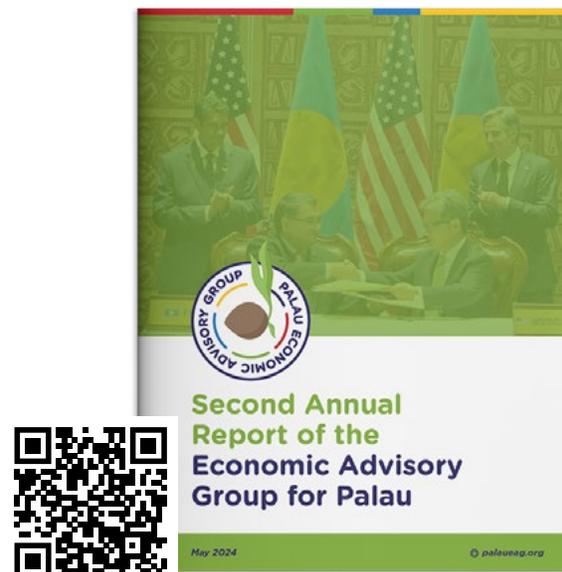
As Secretariat, GSUSA supports the Advisory Group by ensuring members have access to timely economic information. This includes maintaining a dedicated website with relevant documents, archived reports, and records of meetings and activities.

GSUSA also provides logistical and administrative support to the Advisory Group, including:

- ★ Coordinating travel and logistics for all five members.
- ★ Assisting with agenda development and meeting facilitation.
- ★ Supporting the drafting of the Advisory Group’s annual report, submitted to the U.S. and Palau governments by May 1, in advance of the bilateral Annual Economic Consultation.
- ★ Managing communications and website updates.

- ★ Delivering briefings and economic updates as requested.

As a related matter, GSUSA was invited to facilitate the 2024 Annual Economic Consultation between the U.S. and Palau, held in Palau on June 26-27, 2024. This followed a similar role GSUSA played in the 2023 Consultation, held on June 21-22, 2023.



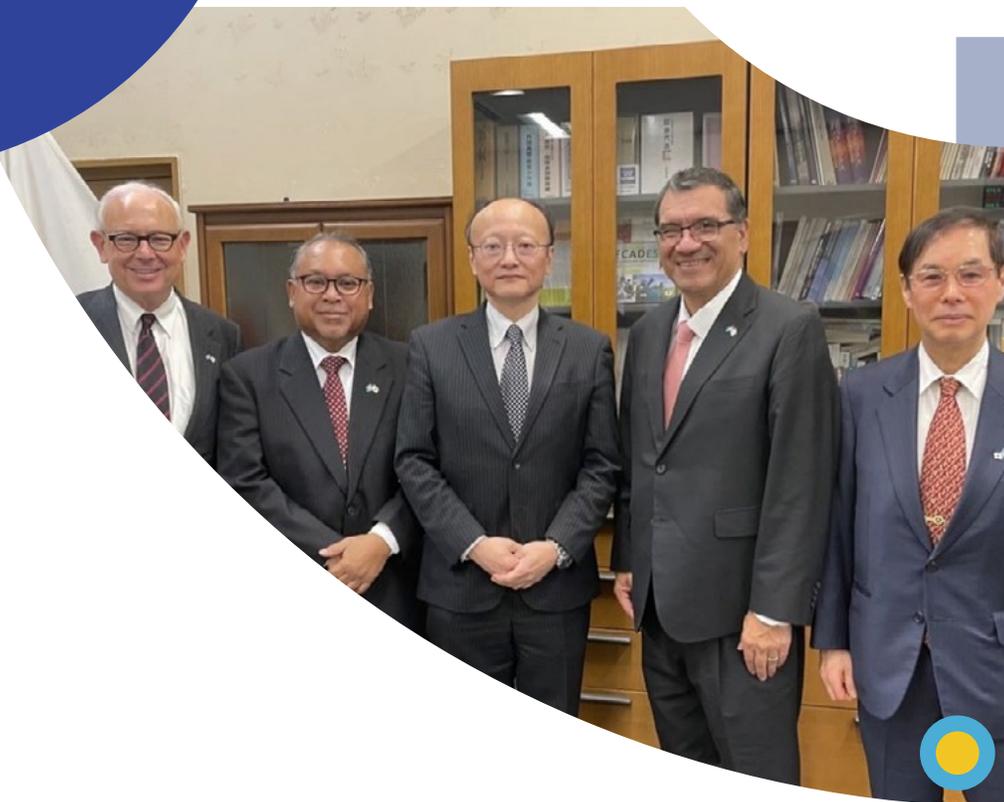
<https://pubs.pitiviti.org/eag-report-2>

## Issuance of Second Annual Report of the Palau Economic Advisory Group

The Economic Advisory Group for Palau (EAG) issued its Second Annual Report on May 1, 2024, providing an in-depth review of economic developments, policy discussions, and recommendations for the Republic of Palau and its partners. The report, covering the period from May 2023 to April 2024, serves as a key resource for the U.S. and Palauan governments in preparation for their annual bilateral economic consultations.

Key Highlights from the Second Annual Report:

- ★ **Economic and Fiscal Overview** – The report outlines Palau’s ongoing economic challenges, including a slow tourism recovery, cost inflation, and fiscal risks related to pension and social security systems. However, recent tax reforms and



*EAG members Dr. Peter Watson, Minister Kaleb Udoi, and Professor Naoyuki Yoshino, met with Japan Ministry of Finance Vice Minister Masato Kanda in Tokyo.*

economic initiatives have strengthened revenue streams, supporting government operations.

- ★ **Engagements with Key Stakeholders** – The EAG actively engaged with Palauan leadership, government ministries, and international partners, including the U.S. Department of the Treasury, the International Monetary Fund (IMF), and Japan’s Ministry of Finance, to discuss economic policy and infrastructure development.
- ★ **Policy Recommendations** – The EAG emphasizes the importance of infrastructure investment, economic diversification, and sound fiscal management to ensure Palau’s long-term financial sustainability.
- ★ **Bilateral and Multilateral Partnerships** – The report highlights strengthened U.S.-Palau economic relations under the 2023 Compact Review Agreement (CRA) and expanded cooperation with Japan and other regional partners.
- ★ **Performance Monitoring Dashboard** – A dedicated appendix provides economic performance indicators, tracking Palau’s fiscal health, employment trends, and economic growth over time.

The Second Annual Report reflects the EAG’s continued commitment to providing independent, expert analysis

to support Palau’s economic resilience and growth. The full report is available at <https://pubs.pitiviti.org/eag-report-2>.

### Cycle 3: Initiated with Meetings in Palau

The Advisory Group’s third annual cycle began with its third meeting in Palau from September 9-13, 2024. Four members participated in this visit, with Dr. Watson unavailable. The week’s agenda included a range of discussions and engagements focused on economic and policy developments:

- ★ **Meetings with Palau’s Leadership** – Members held welcoming discussions with the President of Palau and members of his Cabinet.
- ★ **Internal Deliberations** – The Advisory Group received briefings on economic developments and conducted internal discussions.
- ★ **Engagements with Key Ministries and Agencies** – Members met individually with Palauan ministry and agency leaders to discuss challenges, opportunities, policy priorities, and initiatives. These discussions included representatives from:



2023 CRA signing in Port Moresby, PNG; Palau President Whipps, Chief Negotiators Minister Udui, SPECN Yun, and Secretary of State Blinksen

- \* Ministry of Human Resources, Culture, Tourism, and Development
- \* Ministry of Finance
- \* Digital Residence Office
- \* Bureau of Revenue and Taxation
- \* Savings Bond Program
- \* Ministry of Agriculture, Fisheries, and Environment
- \* Bureau of Customs and Border Protection
- \* Palau National Communications Corporation
- \* Palau Public Utilities Corporation
- \* Bureau of Public Health
- \* Ministry of Education
- \* Palau Community College

- ★ **Engagement with the U.S. Department of the Treasury** – The group met with a visiting mission from the Office of Technical Assistance.
- ★ **Leadership Debriefing** – The Advisory Group provided a summary of discussions and insights to Palau’s executive and legislative leadership.
- ★ **Commemoration of the Battle of Peleliu** – Following the Advisory Group’s mission, Chairman Galbraith remained in Palau to join U.S. and Palauan officials in commemorating the 80th anniversary of the Battle of Peleliu.

### Cycle 3: Representation by Chairman Galbraith for the Inauguration of President Whipps

In January 2025, Chairman James Galbraith represented the Economic Advisory Group (EAG) at the inauguration of President Surangel Whipps Jr., marking the start of his second term as President of the Republic of Palau. The ceremony took place in Ngerulmud, Melekeok State, Palau’s capital, and was attended by approximately 1,000 guests, including regional leaders, diplomats, and government officials from various countries. Chairman Galbraith’s presence reaffirmed the EAG’s commitment to supporting Palau’s economic development and governance efforts.

While on the islands, Chairman Galbraith met with visiting diplomats and held discussions with technical staff and other informed persons, updating the EAG’s information on infrastructure and other projects within the remit of the EAG. He spent part of a day with Minister Udui, in Koror and Babeldaob, reviewing the status of plans for the airport, ports, hospital, electrical grid and telecommunications. He attended the inaugural ceremony and the inaugural dinner, the latter being an opportunity to meet with various US personnel now working in Palau (including the Peace Corps representative) and to greet and congratulate President Whipps.



## Planned Issuance of Third Annual Report of the Palau Economic Advisory Group

In early April 2025, GSUSA will facilitate a virtual meeting of the Advisory Group to finalize the *Third Annual Report of the Economic Advisory Group for Palau*. The report will be submitted by May 1, 2025, ensuring that both the U.S. and Palau governments have sufficient time to review its findings and recommendations ahead of the bilateral Annual Economic Consultation, which is required to take place no later than August 1, 2025.

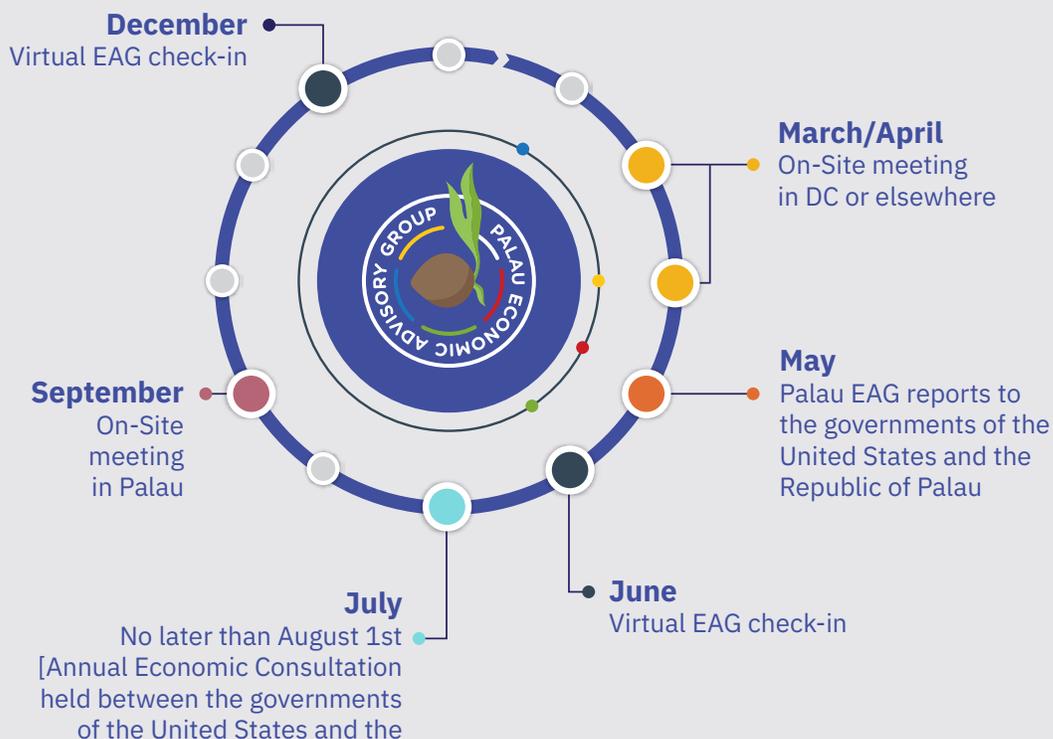
## Planned Schedule of Meetings Going Forward

The Advisory Group plans to maintain a consistent yet flexible annual meeting schedule aligned with its mandate under the 2023 Compact Review Agreement (CRA). The current members propose holding:

- ★ Two in-person meetings per year, with at least one taking place in Palau.
- ★ One to two virtual meetings to sustain progress on ongoing initiatives and ensure timely updates on Palau’s economic developments and U.S.-Palau relations.

Additional information on the Economic Advisory Group for Palau, including full biographies of Advisory Group members, relevant contextual documents on the Palau economy, Advisory Group publications, and a current schedule of forthcoming events, can be found at [www.palaeag.org](http://www.palaeag.org).

### *The annual cycle of meetings and reports for the Palau Economic Advisory Group*





*Krystyna Ilagan, General Accounting Supervisor at the Guam Department of Administration, presents the status of their audits.*

# The Audit Improvement Program

[audit.pitiviti.org](https://audit.pitiviti.org)



## Strategic Goal 1:

Improve Leadership and Management Capacity to Effectively Perform.



## Strategic Goal 2:

Improve Financial Management Systems and Practices.

The Audit Improvement Program has been a cornerstone of the Pacific and Virgin Islands Training Initiatives (PITI-VITI) for decades. PITI-VITI works closely with insular government finance offices—both directly and through the Island Government Finance Officers' Association (IGFOA)—to enhance the timeliness and quality of governmental single audits. Given the critical role of audits in financial oversight and governance, improving efficiency and accuracy remains a key priority.

Single audits across the insular areas have historically yielded mixed results. In 2003, the collective audit backlog for insular governments reached 159 months. Over time, employee training, process improvements and system enhancements reduced delays, with the backlog shrinking to just 11 months in 2019. However, in recent years, delays have worsened. By 2021, the combined backlog had grown to 123 months across all 11 insular governments. The delays were partially as a

result of COVID restrictions on the ability of the finance staff in the islands to work in person (for the most part, the only viable option in the islands) and the ability of the auditors to travel. At the end of 2024, the FY2022 single audits were collectively 160 months overdue, with four governments still outstanding. These delays highlight systemic challenges, including capacity constraints, financial management system transitions, and changes to third-party audit firms.

The 2024–2025 PITI-VITI program continues efforts to address these challenges by convening insular governments quarterly to discuss audit progress and obstacles. These discussions have provided a clearer understanding of the persistent issues affecting audit timeliness and quality, which include:

- ★ **Capacity issues** due to workforce shortages from outmigration and recruitment challenges.
- ★ **COVID-19 extensions** that, while initially helpful, have contributed to ongoing delays.

- ★ **Financial management system transitions** which have disrupted operational workflows.
- ★ **Audit firm changes**, leading to varying interpretations of financial reporting requirements.
- ★ **Challenges in reporting from component units**, complicating government-wide financial compliance.
- ★ **Expanded donor contributions** in the Freely Associated States (FSM, RMI, and Palau), increasing complexity in financial oversight and audits.

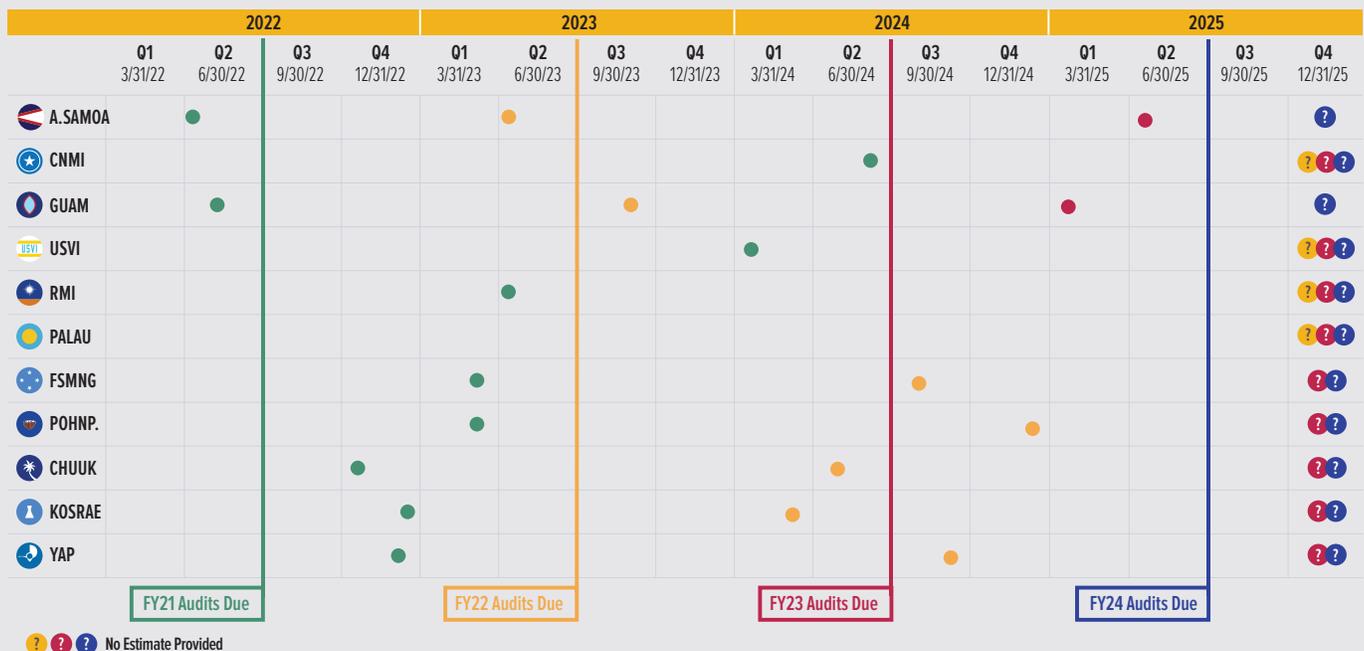
### Assessing FY22 and FY23 Audits Issued in FY24

#### Timeliness

Despite earlier COVID-related delays in audit publication deadlines, the U.S. Office of Management and Budget (OMB) maintained the June 30 deadline for submitting

## AUDIT TIMELINESS

FY21-FY24 Insular Government Audit Issuance Dates



FY2022 and FY2023 audits. Many insular governments have requested and received extensions from the U.S. Department of the Interior (DOI). Overall, however, audit issuance across the territories has been inconsistent:

 American Samoa issued its FY2023 audit early, on May 28, 2024.

 Guam completed its FY2023 audit in February 2025, outside the June 30, 2024, deadline.

 The FSM National Government, Pohnpei, Kosrae, Yap, and Chuuk have not yet issued FY2023 audits, which are now 10 months late.

 The US Virgin Islands, Republic of Palau, Republic of the Marshall Islands, and CNMI have not yet issued their FY2022 audits, which are now 22 months late.

Given these continuing challenges, additional technical support and engagement will be critical to supporting the insular governments as they work to return to timely audit completion.

### Quality

While many insular governments have yet to release their FY22 and FY23 audits, those that issued their audits in 2024 demonstrated varying levels of audit quality:

- ★ Guam and American Samoa received unmodified opinions on the Financial Statements for FY2023
- ★ For FY2022, The National and the 4 State Governments of the FSM received multiple Financial Statement modifications, including a disclaimed opinion at the National Government and an adverse opinion for the State of Yap

The overall number of audit modifications has increased, with financial statement reconciliations and grants management continuing to present challenges. The rapid influx of federal COVID-19 funding contributed to several single audit issues, as these funds were disbursed quickly in large amounts, straining local financial management systems.

Several governments continue to receive findings related to weak financial conditions, including:

- ★ Budget overruns and cash flow issues.
- ★ Inability to meet long-term pension and post-employment benefit obligations.
- ★ Deficiencies in financial management resources and operational controls.
- ★ Cybersecurity concerns, including outdated IT security protocols and inadequate off-site data backups.

Given the frequent turnover in financial personnel within insular governments, there is a continued need for technical assistance and staff training to maintain audit quality and financial reporting standards.

### Other Issues

A key component of PITI-VITI's technical support is ensuring that insular finance offices are prepared for new accounting and reporting requirements ahead of their effective dates. Over the last two decades, the Governmental Accounting Standards Board (GASB) has introduced significant changes affecting financial statement presentation and fund balance calculations. Recent regulatory updates include:

- ★ The U.S. Government Accountability Office (GAO) issued a major update to federal grant compliance regulations.
- ★ GASB now requires pension liabilities and other post-employment benefits (OPEB) to be included in financial statements.
- ★ New GASB standards for lease accounting and Subscription-Based IT Arrangements (SBITA) took effect in FY2023, requiring insular governments to adjust how they report lease liabilities.

The 2024 PITI-VITI program cycle also included training on upcoming Governmental Accounting Standards Board (GASB) changes, to ensure that insular finance officers are prepared for new accounting and reporting requirements. The following updates and their respective implementation timelines were covered:

- ★ **GASB Statement 100 (Accounting Changes and Error Corrections)** – Effective FY2024 - Standardizes the reporting of accounting changes and error corrections to improve transparency and comparability in financial statements.

*Julio Rhymer, Sr., Director, USVI Office of Management and Budget, presents an audit update on the U.S. Virgin Islands government during the Winter IGFOA.*



- ★ **GASB Statement 101 (Compensated Absences)** – Effective FY2025 - Updates the recognition and measurement of compensated absences, ensuring a more consistent approach to leave accruals.
- ★ **GASB Statement 102 (Certain Risk Disclosures)** – Effective FY2025 - Establishes new disclosure requirements for risk concentrations and constraints that could impact a government’s financial health.
- ★ **GASB Statement 103 (Financial Reporting Model Improvements)** – Effective FY2026 - Enhances the structure and clarity of government-wide financial statements, including updates to MD&A and fund presentation.
- ★ **GASB Statement 104 (Revenue and Expense Recognition)** – Effective FY2026 - Creates a standardized framework for recognizing revenues and expenses, improving consistency in financial reporting.

These updates were covered in workshops and technical sessions at the IGFOA meetings to ensure awareness and equip insular finance officers with the tools and

guidance necessary for effective implementation and compliance.

### *Training*

Several governments have also transitioned to new financial management systems, requiring significant technical assistance and training.

- ★ The CNMI transitioned to a new system during 2021 for a FY2022 go-live date, but COVID issues and a poor implementation team has required them to revise processes and procedures to fully utilize its new FMIS.
- ★ Guam successfully implemented new systems in 2023.
- ★ The RMI began training and implementation in 2021 and partially converted as of FY2022. The government is still working with the software provider to produce financial statements.

- ★ FSM National and State governments have selected a new system and are in the early stages of implementation.

PITI-VITI continues to support finance officers in project management, systems planning, and chart of accounts development to help insular governments make informed decisions when implementing new financial management information systems. Since vendors often overpromise ease of implementation, PITI-VITI provides guidance to help governments avoid costly pitfalls in system integration.

Cybersecurity vulnerabilities remain a significant concern for insular government finance offices, with auditors identifying risks linked to outdated security protocols. Palau and the RMI have experienced recent cybersecurity attacks, highlighting the need for stronger protections. In response, insular governments are increasingly prioritizing cybersecurity response and recovery planning and collaborating with development partners for technical support. The Island Government Finance Officers’ Association (IGFOA) has made cybersecurity awareness a key focus, emphasizing its importance in safeguarding financial infrastructure.

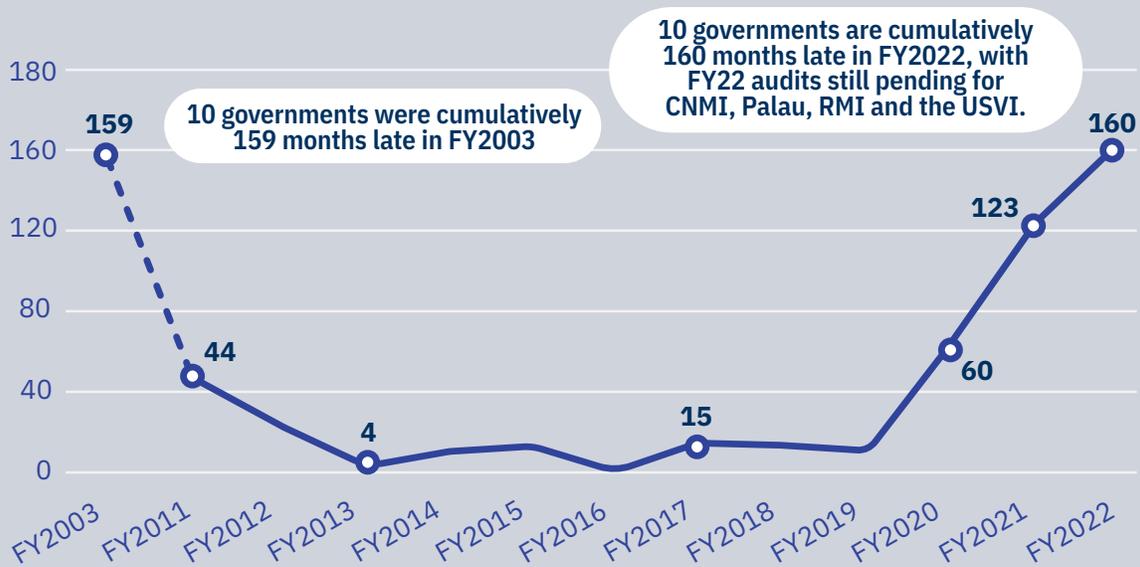
## AUDIT RESULTS: TIMELINESS

### Number of Months Late FY2003-FY2022

The PITI-VITI program’s focus on audits began in 2003 in response to an audit crisis among insular governments, when audits were significantly delayed and frequently qualified, undermining their relevance and reliability. At that time, 10 of 11 governments were behind schedule, with a total of 166 audit qualifications.

Over the years, insular governments steadily improved audit timeliness and reduced the number and severity of qualifications (now termed modifications), reaching a low of 43 months late in FY2019. These improvements strengthened confidence in financial reporting and compliance with federal grant requirements.

However, audit timeliness has declined precipitously in recent years. As of March 2025, 10 governments are collectively 160 months behind on their FY2022 audits, with four yet to issue their reports. For FY2023, only Guam and American Samoa have issued audits, which were due June 30, 2024.



## Finance Office Performance Measures

Insular government finance officers continue to implement best practices gained through their participation in the annual Government Finance Officers' Association (GFOA) conference. A key initiative has been the development and refinement of finance office performance measures for Pacific and Virgin Island governments. Through the Island Government Finance Officers' Association (IGFOA), PITI-VITI has supported the selection and improvement of these measures to strengthen financial management. The ten current performance measures focus on key accounting areas identified in single audits, including reconciliations, cash management, grant management, and fixed assets.

These measures not only assess current operations but also aim to improve finance office efficiency over

time. They are regularly updated to reflect evolving standards, emerging trends, and progress toward financial management goals. PITI-VITI provides on-site process reviews and technical assistance to ensure the accuracy, timeliness, and relevance of these measures. As governments further integrate them into daily operations, they can serve as a real-time dashboard for tracking financial health and setting strategic priorities.

Finance officers also promote peer accountability by sharing results at semiannual IGFOA conferences. Over the past year, insular governments have highlighted selected performance measures at both virtual and in-person meetings. At the upcoming June 2025 IGFOA conference, they will present updated measures to support internal progress monitoring and continuous improvement.

*Debbie Milks, CPA, discuss audit timeliness issues with insular government representatives at the Winter IGFOA in Honolulu, HI.*



## 10 Current Finance Office Performance Measures

### 1. Reduction in Federal Grant Receivable Balance

This measures the effectiveness of the finance operations to bill and collect federal funds. Many of the governments operate on a reimbursable basis with the US federal government so precious local cash is used to pay for federal programs up front.

- ★ Annually or quarterly less than 5%

### 2. Bank Reconciliations Completed on a Timely Basis

Bank reconciliations are the foundation of all other general ledger reconciliations. A timely bank reconciliation also helps the finance office use their FMIS as opposed to relying upon side cash tracking systems. A completed bank reconciliation includes posting all adjustments to the general ledger.

- ★ 10-15 days after month end

### 3. Completion of Fixed Asset inventory

The value of the measure is to set up interim steps to complete the inventory. For instance, completion by X number of departments each month or a spot check of a certain number of departments (assuming they are responsible for their own inventory) each quarter. Given that the auditors focus on the major federal programs, a best practice is to ensure that those departments keep an accurate and up-to-date inventory of items purchased with federal program funds.

- ★ 100% of major federal programs every quarter

### 4. Reduction in Overdue Travel Advances Issued this Fiscal Year

Collection of overdue travel advances measures the % of travel advances which are beyond the government's allowed period to file expense reports. The purpose is to 1) ensure that federally funded travel is expensed within the grant period and thus 2) enhance federal cash flow. It is also a measure of the effectiveness of the finance office to ensure government regulations are followed.

- ★ Reduce by 50% each quarter to a target of 0% overdue advances

### 5. Actual vs Estimated Revenues

Although the task of revenue estimates varies by government and may be outside of the finance office responsibilities, this measure is important to ensure a government is budgeting within its means. The finance offices have the skills to aid with calculated the estimates if there appears to be a problem with accuracy. It is also an easy measure to calculate.

- ★ Varies by less than 5% on a quarterly basis

### 6. Number of Days to Process an Invoice Paid by Federal Funds

The purpose of this measure depends upon the source of funds to pay the invoice. In the case of grant funds, cash should not

be an issue, so the measure can define the efficiency of finance operations. Local funds are more restricted, so an additional measure for invoices paid with general funds will indicate how efficiently the finance office fairly prioritizes vendors.

- ★ 3-15 days

### 7. \$ and % of Unspent Federal Funds

The purpose of this measure is to highlight any problems in the grant spending process. As such, programs with multi-year funds and programs which require matching funds which may not be available (like Medicaid) should be excluded from the calculations.

- ★ Targets vary by insular government.

### 8. Number of Training Hours per Finance Office Employee

The purpose of this measure is to ensure that ALL finance office staff are given opportunities for appropriate training. Often, high level staff are allowed to travel to conferences or training (which may or may not be helpful in their jobs) while other staff do not receive any formal training. The finance office is encouraged to develop appropriate on-line or local course opportunities.

- ★ 24 hours/year target in line with requirements for certified accountants

### 9. Percentage of Employee Evaluations Completed

This measure is helpful in encouraging finance managers to connect with their staff and provide meaningful feedback on performance. Since many governments do not have the funding for staff increases, it is even more important to provide some one-on-one encouragement and advice for younger, newer staff.

- ★ At least annually

### 10. Reconcile Encumbrances

The reserve for encumbrances is no longer reported in the fund balance section of the financial statements but in a footnote to the statements. As it has become less obvious, the balances of invalid, dated encumbrances have increased in all governments. 8 governments are in the process of acquiring new financial management systems which will require the conversion of outstanding encumbrances. For those reasons, the group adopted an initiative to concentrate on clearing their encumbrance files. The governments reported on their encumbrance balance change from FY20 to FY21. The results were inconclusive and did not necessarily represent any efforts to clear invalid encumbrances. Five of the reporting governments increased their encumbrance balances, but that was more reflective of increased FY2021 activity in construction and government operations after the FY20 lockdowns. The reporting for clearing old balances will need to be refined.

- ★ Reduction of invalid, outdated encumbrances to zero

# The Performer & A.F.T.E.R. Analysis

[pitiviti.org/performers](https://pitiviti.org/performers)



## Strategic Goal 1:

Improve Leadership and Management Capacity to Effectively Perform.



## Strategic Goal 3:

Increase Effectiveness and Program Results.



*Frank Crawford, CPA, updates participants on their island government Performers at the winter IGFOA conference.*

The Performer has played a key role in providing financial analysis and oversight for the eleven insular governments across the Pacific and Virgin Islands. Originally developed in 2001 for state and local governments, its scope and methodology were later adapted to meet the unique financial and economic environments of the US-affiliated Pacific islands. Each year, the Performer offers an independent assessment of financial health and performance, drawing on data from audited financial statements to track trends and identify areas for improvement.

When the Performer project first launched, many insular governments faced challenges with delayed and qualified audits, limiting the reliability of financial data. Over time, improvements in audit timeliness and accuracy have enhanced the tool's relevance and impact. Today, finance officers and policymakers use Performer findings to inform strategic decision-making and strengthen governance, making it a valuable resource for financial planning and accountability.

While Performer results are presented in aggregate in this report, the primary purpose of the tool is to help each insular government track its own financial progress over time. The Performer is designed as a self-assessment tool, allowing governments to measure improvements, identify fiscal challenges, and inform

decision-making based on data contained in the single audit and historical trends. Although common metrics are used across all insular governments, the Performer should not be used for direct comparisons between jurisdictions, as each government operates under unique economic conditions, funding structures, and financial management practices.

Each insular government's Performer is tailored to reflect its unique fiscal realities and serves several key functions:

- ★ Provides more than 20 years of financial data, allowing governments to analyze long-term trends and emerging fiscal challenges.
- ★ Helps finance officers communicate government financial health to non-financial stakeholders, including legislators and executive leadership.
- ★ Uses common financial metrics, making Performer scores comparable across all insular governments.
- ★ Includes an AFTER Analysis (Audit Findings, Timeliness, and Exception Resolution) to track audit completion timelines, financial statement accuracy, and resolution of single audit qualifications.

By offering consistent and objective financial assessments, the Performer continues to support transparency, fiscal discipline, and informed decision-making across the insular governments.

## Enhancements to the Performer

The Performer continues to evolve to respond to insular government needs; several years ago, the Performer report was enhanced to show not only an overall government score but also disaggregated scores in three categories:

- ★ **Financial Position** indicates a government's cumulative financial health. Relevant Performer ratios include the level of the government's total unrestricted net position, the level of unassigned fund balance of the General Fund, and current and quick ratios related to cash flow sufficiency.
- ★ **Financial Performance** indicates a government's financial performance for the fiscal year. Relevant Performer ratios include Intergenerational Equity and the Change in Total Net Position.

- ★ **Financial Capability** indicates the future financial flexibility and sustainability of a government. Relevant Performer ratios include the per capita levels of taxes paid and debt burden, along with a debt-to-assets coverage ratio, among others.

## Performer Updates and Trends for 2024

As a result of delays related to the issuance of some insular government single audits, in the 2024-2025 program cycle, Performer reports were developed based on single audits released for:

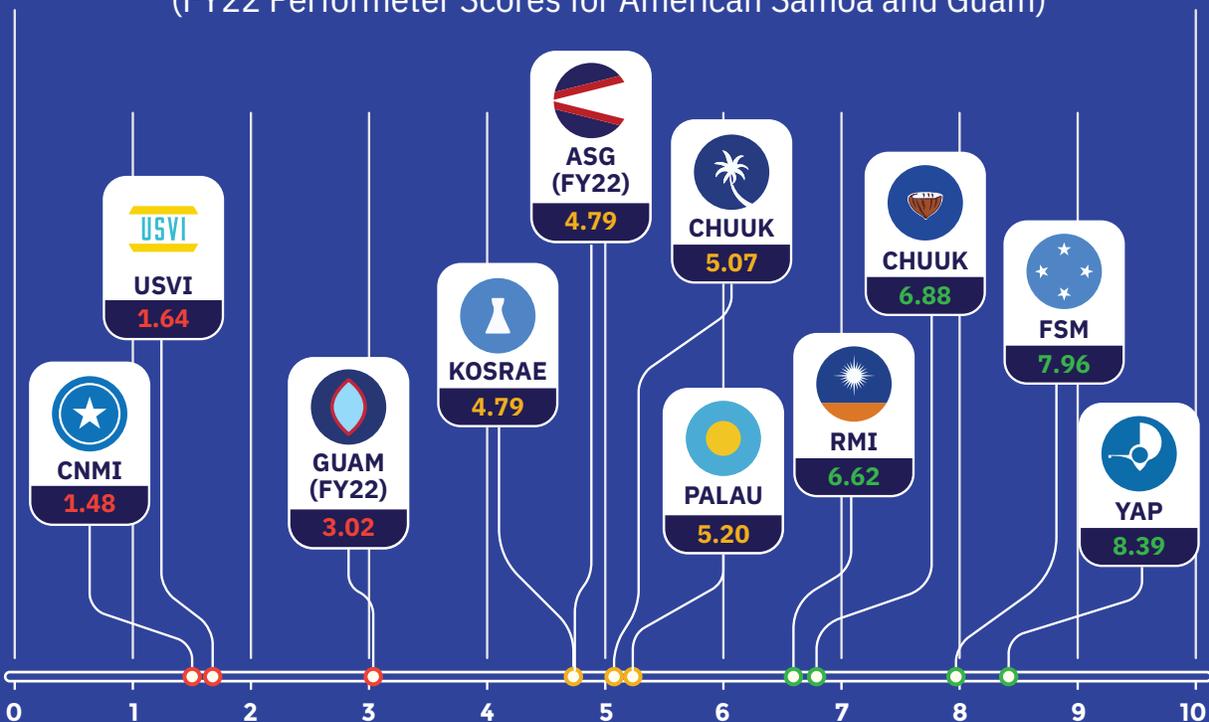
- ★ FY21 audits for CNMI, FSM, Chuuk, Kosrae, Pohnpei, Yap, Palau, RMI, USVI
- ★ FY22 audits for American Samoa and Guam

Performer results were shared with insular government finance leaders at the IGFOA Winter Conference in December 2024, providing an assessment of fiscal health and financial trends across the territories. Key highlights included:

- ★ GASB 68 pension requirements continue to impact most insular governments. Since its implementation in 2015, the standard has significantly affected government financial positions, with many insular pension systems still severely underfunded. The FSM National Government, FSM States, and RMI are exceptions, as they are not subject to GASB 68.
- ★ Social Security programs in the FSM, RMI, and Palau remained at historically low funding levels in FY2021. However, corrective measures have been introduced, including increased contributions and actuarial modeling solutions to improve financial stability.
- ★ Most changes in Performer scores for FY2021 were within a 25% range, but notable improvements were recorded in FY2022. Guam's score rose by 36%, reflecting significant financial improvement, while American Samoa's score increased by 17%.
- ★ Chuuk State recorded its highest-ever Performer score, surpassing 5.0 for the first time. With a score of 5.07, this marks a significant milestone in Chuuk's financial performance tracking since 2003.

- ★ Pohnpei State’s Performer score has fluctuated in recent years. After reaching the high 6s in 2017 and 2018, Pohnpei’s score dropped to the mid-5s in 2019 and 2020, before rebounding to the high 6s in 2021. Pohnpei recorded the largest percentage increase in FY2021, improving by 24%.
- ★ Yap State and FSM National continue to trade off high Performer scores. In 2021, Yap outperformed FSM National with a score of 8.39 compared to FSM National’s 7.96. Notably, Yap’s 8.39 is the highest score recorded in the Performer’s 22-year history for any insular government.
- ★ The RMI has remained remarkably consistent, with Performer scores fluctuating by no more than 1.5 points over the past 12 years. In 2021, RMI’s score was 6.62, slightly down from 6.64 the previous year, which was the highest in its history.
- ★ Questioned costs increased for nearly all governments, likely due to the continued spending of federal assistance. No insular government received unmodified opinions on both their financial statement audit and Single Audit of federal program compliance in FY2021. However, FSM National and Kosrae had only one Single Audit finding each, making them the closest to achieving this distinction.
- ★ Guam received an unmodified opinion on its financial statements but faced significant compliance issues in its FY2022 Single Audit. The audit identified 10 major federal programs with modified compliance opinions, resulting in \$11.2 million in questioned costs.
- ★ American Samoa Government (ASG) received a near-clean opinion on its financial statements. The only modifications resulted from two component units, with no other issues affecting its audit opinion. In the FY2022 Single Audit, ASG had only three compliance findings, leading to no modifications to its compliance opinions and no questioned costs.

### FY21 Performer Scores by Insular Governments (FY22 Performer Scores for American Samoa and Guam)



28 Pacific and 5 US Virgin Islands participants join the Executive Leadership Development Program Class of 2025.



# Executive Leadership Development Program (ELDP)

[eldp.pitiviti.org](https://pubs.pitiviti.org)



<https://pubs.pitiviti.org/eldp-25-bios>



## 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.

## Background

Attracting and retaining qualified staff for core public sector government positions remains one of the most pressing challenges for insular governments. Nearly all U.S.-affiliated Pacific islands are experiencing growing outmigration and substantial population decline, making it increasingly difficult to recruit and retain talent. Many young, educated professionals leave for higher-paying opportunities in the private sector or component units, while others relocate to the United States in search of better wages and career prospects.

The Executive Leadership Development Program (ELDP) was established in 2008 to help insular governments address these challenges by developing and retaining skilled leaders who can guide their governments into the future. The program originated from the Island Government Finance Officers Association, which identified a critical need for leadership and management training across the insular areas. ELDP participants receive training in leadership, management, policy development, advocacy, government operations, and finance, building relationships across the insular areas and reinforcing



their commitment to public service. Participants from the U.S. Virgin Islands take part in the Graduate School USA’s Executive Leadership Program (ELP) based in Washington, D.C.

### Selecting the ELDP Class of 2025

To enhance recruitment efforts for the ELDP Class of 2025, Graduate School USA conducted extensive outreach through Pacific island government channels, presentations, public information sessions, and print and social media campaigns. These efforts generated strong interest, with over 100 applications received.

The selection process was further refined this year with the addition of personal interviews for 40 candidates, allowing them to articulate their motivation for joining the program while also providing an opportunity to assess their potential for success. Following this competitive process, 28 participants were selected for the ELDP Pacific Class of 2025, and five participants joined the ELDP U.S. Virgin Islands Class of 2025. These 33 individuals now join a distinguished network of 207 ELDP alumni—an accomplished group of Pacific and Virgin Islanders who serve in key government roles, including elected representatives, ambassadors, judges, cabinet members, and directors.

### ELDP Program Cycle



## Program Sessions

### *First In-Person Session – Guam (January 13–17, 2025)*

The first in-person session took place in Guam and focused on establishing a strong learning community, increasing self-awareness, and launching group projects. Centered on the theme “Leading Self,” participants explored key aspects of personal leadership development, including:

- ★ **Self-Awareness:** Participants assessed their behavioral preferences, professional strengths, and areas for growth.
- ★ **Leadership Effectiveness Inventory:** A 360° feedback survey helped participants identify core leadership competencies and areas for improvement based on input from supervisors and staff.
- ★ **Social Styles:** Participants learned how to recognize and adapt to different social styles to enhance collaboration and communication.
- ★ **Group Projects:** Teams were formed to work on year-long projects, with participants delivering the first of four presentations to a panel of professionals, including:
  - \* Vince Duenas, Supervising Accountability Auditor, Office of the Public Accountability Guam



*ELDP Participants, Garlyn Ngirchemat, Carmela Vi, Cellini Higa, Ben Chosmal, and Kyle Lemari, delivered their team project presentations at the Office of the Governor in Guam.*



- \* Dr. Mary Okada, President, Guam Community College
- \* Senator Judith Won Pat

- ★ **Mentoring:** Participants identified mentors from their home islands and developed strategies for building effective mentorship relationships.
- ★ **Individual Leadership Development Plans (ILDPs):** Each participant drafted an ILDP outlining their personal and professional leadership goals, which were reviewed in one-on-one coaching sessions with program advisors:
  - \* Dr. Jeff Berlin, ELDP Program Coordinator
  - \* Anna Mendiola, CEO and President, Federated States of Micronesia Development Bank
  - \* Dr. Mary Okada, President, Guam Community College
- ★ **Guest Speakers:** Participants engaged with distinguished, Guam-based leaders, including:
  - \* Hon. Lourdes Leon Guerrero, Governor of Guam
  - \* Hon. Josh Tenorio, Lieutenant Governor of Guam
  - \* Rev. Francis X. Hezel, SJ, former Director, Micronesian Seminar
  - \* Larry Raigetel, Master Navigator
  - \* CAPT Thane Hancock, M.D., U.S. Public Health Service

### *Virtual Session – February to March 2025*

The second session, held virtually, focused on “Leading Others.” Participants explored fundamental leadership skills through the SEED of Perspective and SEED of Purpose sessions, designed to integrate leadership principles with an island-style approach. They also:

- ★ Engaged in discussion forums on leadership and public service
- ★ Strengthened relationships with their mentors
- ★ Conducted leadership interviews to gain insights from experienced government officials
- ★ Delivered updated team project presentations to a panel of insular government representatives



### Upcoming Sessions

The third in-person session is scheduled to take place in Majuro, Republic of the Marshall Islands, from April 7–11, 2025. Participants will continue their leadership training through in-person and virtual sessions before gathering for the final session in the Republic of Palau.

### ELDP Program Schedule – Sessions 1 and 2

ELDP participants began their leadership journey with Session 1, held in person in Guam from January 13–17, 2025, followed by Session 2, conducted virtually from

February to March 2025. Over the course of these sessions, participants met 11 times, focusing on key leadership themes:

- ★ 5 sessions on “Leading Self” – Developing self-awareness, personal leadership skills, and professional growth strategies.
- ★ 4 sessions on “Leading Others” – Exploring leadership principles, communication styles, and team dynamics.
- ★ 2 sessions on Team Presentations – Refining and presenting group projects to a panel of government and industry professionals.

#### January 2025

S	M	T	W	T	F	S
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5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
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#### February 2025

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#### March 2025

S	M	T	W	T	F	S
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30	31					

#### ELDP In-Person Session 1 [Guam] January 13-17, 2025

ELDP Pacific – S1-01 – Welcome, Community, and Foundations	January 13, 2025
ELDP Pacific – S2-02 – Self-Awareness Part 1 – LEI and ILDP	January 14, 2025
ELDP Pacific – S2-03 - Self-Awareness Part 2 – Social Styles	January 15, 2025
ELDP Pacific – S5-05 – Self-Awareness Part 3 – Presentation Skills and Change	January 16, 2025
ELDP Pacific – S7-07 – Team Presentations, Debrief and Wrap up	January 17, 2025

#### ELDP Session 2 Virtual Sessions February 2025 - March 2025

ELDP Pacific – S2-01 The Seed of Perspective – Module 1 & 2	February 4, 2025
ELDP Pacific – S2-01 The Seed of Perspective – Module 3	February 11, 2025
ELDP Pacific – S2-01 The Seed of Purpose – Module 1	March 4, 2025
ELDP Pacific – S2-01 The Seed of Purpose – Module 2	March 11, 2025
Team Presentations 2	March 20, 2025
Team Presentations 2	March 21, 2025

## ELDP U.S. Virgin Islands – 2024-2025

Five participants from the U.S. Virgin Islands were selected to join the ELDP Class of 2025, recognized for their career growth, leadership potential, and strong commitment to public service. These individuals are part of the Executive Leaders Program (ELP), where they collaborate with over 100 colleagues from the U.S. federal community to develop their leadership and professional skills throughout the year.

The 2024-2025 ELDP sessions are conducted in a virtual format. Participants began their leadership journey in September 2024 and have completed three of the four scheduled virtual training weeks:

- ★ September 16–20, 2024
- ★ December 16–20, 2024
- ★ March 10–14, 2025

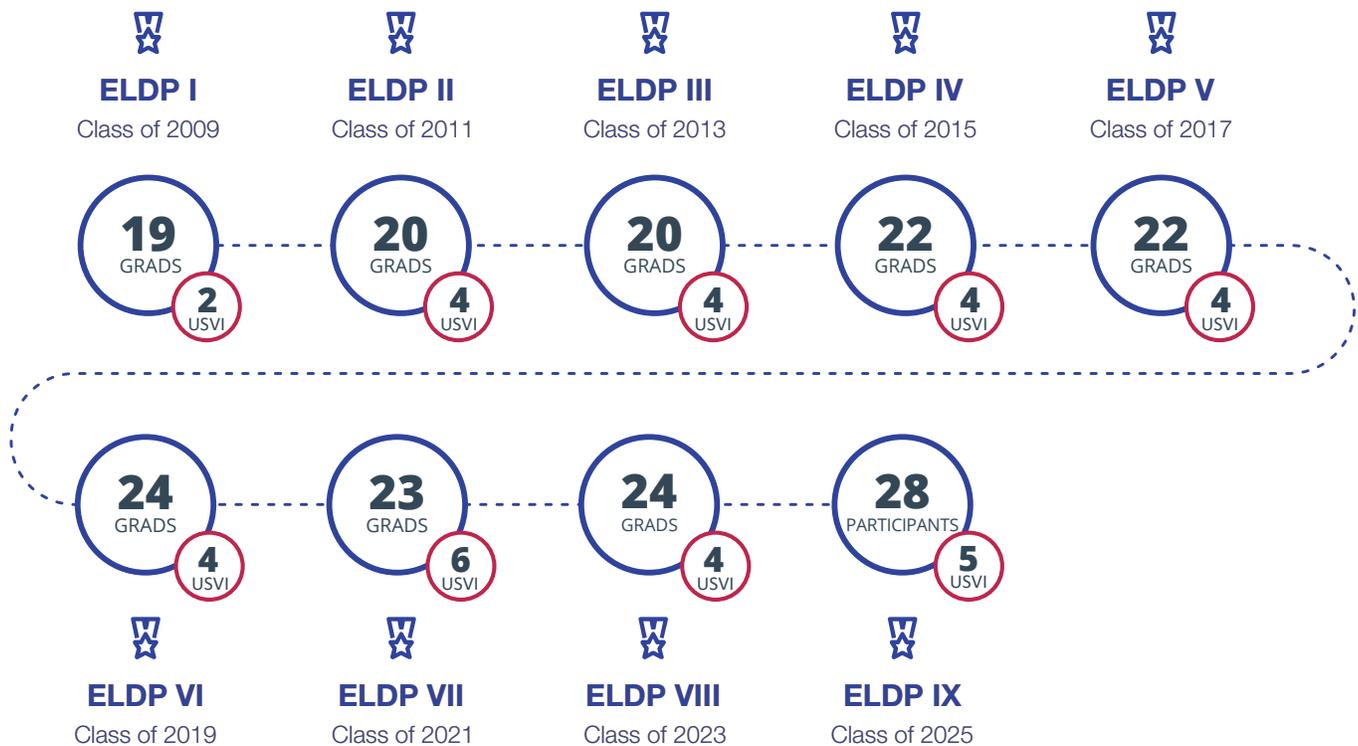
The final session is scheduled for June 9–13, 2025.

Throughout the program, participants assess their strengths and developmental needs using the Executive Core Qualifications (ECQs) framework. They develop personalized leadership plans, engage in hands-on learning experiences, and prepare to take on leadership roles within their government. The program also offers experiential learning opportunities similar to the Pacific ELDP, including:

- ★ Developmental assignments
- ★ Shadowing opportunities with senior leaders
- ★ Interactive leadership discussions
- ★ Community service projects
- ★ Team-based initiatives

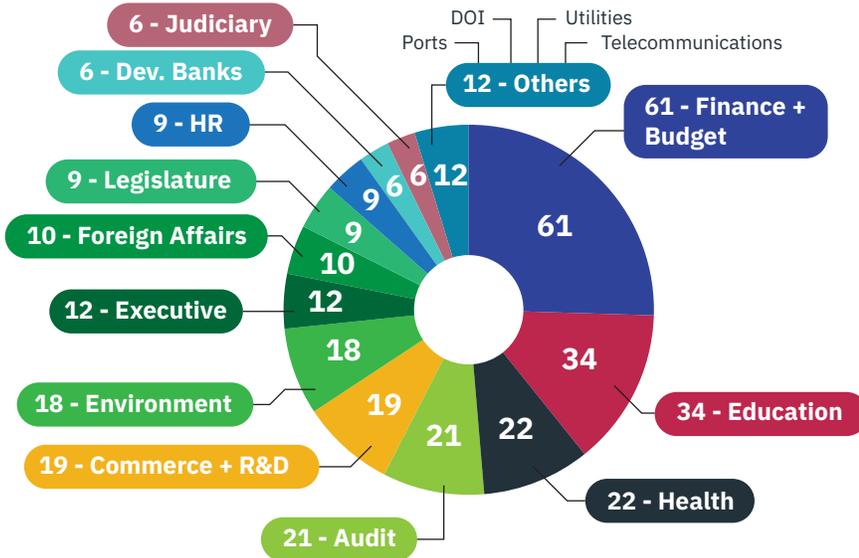
Since 2008, the Department of the Interior has supported the participation of 33 leaders from the U.S. Virgin Islands who have successfully completed the program, strengthening the region's leadership capacity for the future.

## 239 ELDP Participants by Program Year

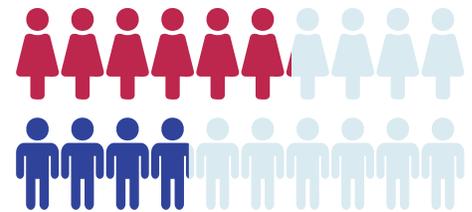
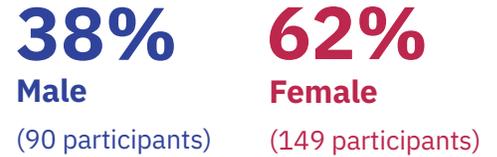




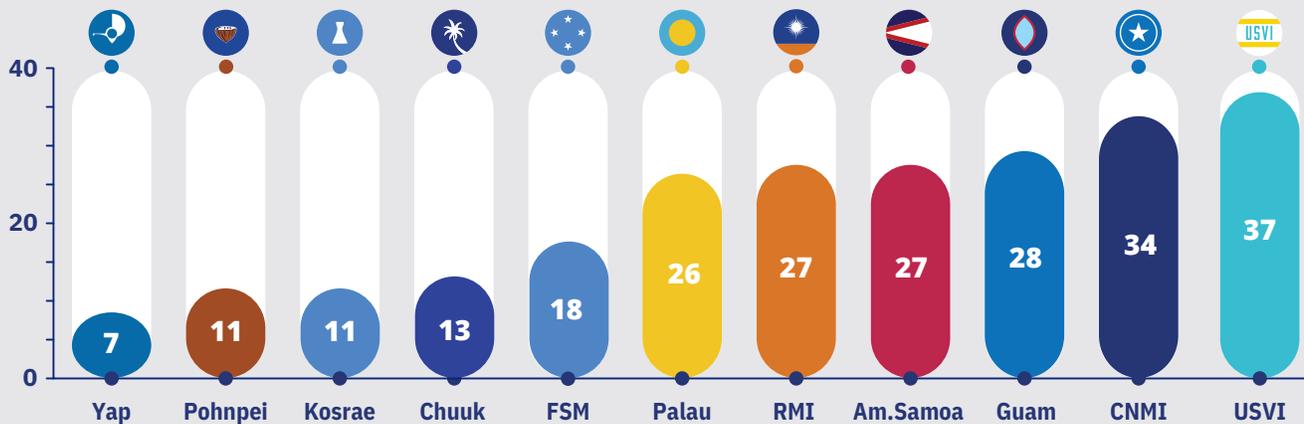
### 239 ELDP Participants by Sector (2008-2025)



### 239 ELDP Participants by Gender (2008-2025)



### 239 ELDP Participants by Jurisdiction: 2009-2025



# ELDP PARTICIPANTS (2008-2025) PACIFIC AND VIRGIN ISLANDS

*Celebrating 239  
participants and alumni!*





*EconMAP economists Dr. Mark Sturton and Kevin O'Keefe meet with RMI Finance Minister David Paul and Palau Finance Minister Kaleb Udui, Jr. in Majuro, October 2024.*

# The Economic Monitoring and Analysis Program (EconMAP)

[econmap.pitiviti.org](http://econmap.pitiviti.org)



### 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.

## Background

The Economic Monitoring and Analysis Program (EconMAP) provides technical expertise to support statistical reporting and economic analysis in the Freely Associated States (FAS): the Republic of the Marshall Islands (RMI), the Federated States of Micronesia

(FSM), and the Republic of Palau. Established by the U.S. Department of the Interior's Office of Insular Affairs, EconMAP plays a critical role in ensuring the availability of reliable economic data to support policy decisions and international reporting requirements.



*The EconMAP team delivers a presentation to RMI and Palau finance office staff in Majuro, October 2024.*



## Economic Data and Audit Challenges

EconMAP has continued to maintain core economic data series, including GDP trends, employment statistics, migration patterns, government finances, and external sector data. However, delays in audit completion and transitions in government auditing teams have slowed the release of official financial statements in the FAS.

As of 2024:

- ★ FSM and RMI completed their FY22 audits but remain two years behind schedule.
- ★ Palau's most recent available audit is for FY21, leaving it three years behind schedule.

To address these gaps, EconMAP has relied on financial data extracted from government Financial Management Information Systems to supplement missing audit information and ensure continuity in reporting.

## Technical Support and Staffing

During the 2024 program cycle, EconMAP's regional economist and statistician continued full-time work based in Palau. In 2023, a new statistician was recruited to reinforce the program's capacity, ensuring that economic monitoring and analysis efforts remain robust across all three FAS nations.

## Key Outputs and Activities in 2024

EconMAP's work during the 2024 program cycle included:

- ★ Completion of preliminary Statistical Appendices for FY2024 for RMI and Palau, and a reduced dataset for FSM for FY2023.
- ★ Publication of annual Economic Reviews for FSM, RMI, and Palau.
- ★ Support for IMF staff visits to RMI (May 2024) and Palau (November 2024).

- ★ Assistance with the Palau Economic and Fiscal Update, as required by the Fiscal Responsibility and Debt Management Act.
- ★ Completion of a three-country study on COVID-19 economic impacts and data gaps, covering migration, remittances, foreign investment, and small enterprises. The Palau report was finalized in 2023, with the FSM and RMI reports completed in 2024.
- ★ Ongoing support for the Palau Economic Advisory Group, including facilitation of bilateral economic discussions with the U.S. in September 2024.
- ★ Regional workshop in Majuro in October 2024, bringing together Ministry of Finance staff from Palau and the RMI for discussions and briefings on tax reform, the budget cycle, the preparation of Annual Compact Implementation Plans, and each country's fiscal responsibility laws.
- ★ Assistance with Palau's pension reform efforts, including work on the Civil Service Pension Plan (CSPP) and the Palau Social Security Administration (RoPSSA) pension plans and post-implementation support for tax reforms.
- ★ Development of policy and technical reports for RMI, including an analysis of a minimum wage basic needs wage and reassessment of the 2013 tax reform initiative.

## Economic Statistics

EconMAP produces annual time series data on key economic indicators for each Freely Associated State. These datasets serve as the foundation for the Annual Economic Reviews and various specialized reports. Recognized as official government statistics, they support policy decision-making within the FAS and facilitate the work of international organizations such as the IMF, ADB, World Bank, and UN agencies.

Over time, the quality and scope of these datasets have improved, aligning more closely with international economic monitoring standards. EconMAP also works to strengthen local statistical capacity by providing technical support and training for local personnel. However, in some cases, external support remains necessary to ensure timely and accurate data production.

## 2023-2024 Statistical Work by Country

### All Three FAS: Managing Audit Delays

Delays in audit completion, initially caused by COVID-19 and later compounded by transitions to new government auditors and growing capacity constraints within the FAS, have disrupted the regular economic statistics update cycle. As a result, estimates based on financial and administrative data systems have been classified as "preliminary" until official audits are finalized.



### Palau

Palau maintains a strong economic statistics team and has access to high-quality administrative data sources. Given Palau's tourism-driven economy, there is a greater demand for timely economic data. Key deliverables in 2023-24 included:

- ★ Preliminary economic statistics for FY2023.
- ★ Annual economic statistics series for FY2023.
- ★ Support for data development, particularly integrating new information from the introduction of PGST (Palau's value-added tax system) and the ASYCUDA customs data system.
- ★ Tourism sector data and analysis.



### RMI

The RMI faces ongoing challenges related to limited human resources and incomplete source data, requiring additional support for economic statistics production. Deliverables in 2023-24 included:

- ★ Preliminary economic statistics for FY2023.
- ★ Annual economic statistics series for FY2023.
- ★ Development of RMI's first-ever statistical trade database, based on data from the ASYCUDA customs system.
- ★ Technical assistance for the Ministry of Finance and Statistics Office, particularly in minimum wage policy analysis and tax reform implementation.



FSM has some statistical capacity but requires capacity supplementation. Staff development has been held back by challenges due to local institutional factors, geography, and weaker demand for statistics.

- ★ The lack of availability of tax data has prevented the compilation of GDP-by-industry series for FY2016-23. However, interim GDP estimates have been produced as part of the preliminary economic statistics for FY23.
- ★ EconMAP is actively working through FSM Statistics to resolve on-going data-sharing challenges which currently prevent FSM statistics staff from accessing tax data.
- ★ Despite reporting limitations, updates to employment data, banking statistics, and the consumer price index (CPI) for FY2023 were completed.

## Looking Ahead

EconMAP remains committed to strengthening economic reporting across the Freely Associated States, ensuring that governments, policymakers, and international organizations have access to timely, accurate, and high-quality economic data. As statistical systems continue to evolve, ongoing technical support, training, and capacity-building efforts will be critical to sustaining long-term data reliability and policy effectiveness.



## FSM: Economic Developments and Issues

**The FSM economy contracted by an estimated 2.0% from FY2019 to FY2022, largely due to the effects of COVID-19.** Early projections anticipated a steeper decline of nearly 7% over the period, but recent national accounts data indicate a more moderate impact. After contracting by 1.8% in FY2020, the economy rebounded with 3.0% growth in FY2021 before shrinking again by 3.1% in FY2022. Substantial aid inflows to mitigate the health and economic impacts of the pandemic helped cushion the overall severity of the downturn.

**The implementation of Vessel Day Scheme has led to rapid growth in sovereign rents.** Regional fisheries effectively fall under the Parties to the Nauru Agreement (PNA), which has led to a remarkable and sustained increase in member country revenues from the sale of vessel days—a fivefold increase for the FSM since the start of the amended Compact. The FSM received \$73 million of revenues—equivalent to 19 percent of projected GDP in FY2017. While revenue levels have remained stable, their share of GDP has gradually declined as the overall economy has expanded in nominal terms.

**After a period of modest inflation during the COVID-19 era, inflation rose by 18 percent between FY2021 and FY2024.** Inflation was relatively modest during the early years of COVID-19 and prices rose by 2.8 percent in FY19-FY21. However, as the world economy emerged from COVID-19, the impact of global supply shortages, expansionary fiscal policies, and the Ukraine war resulted in high rates of global inflation. Price increases were concentrated in food (+27%), fuel (+26%), and restaurant services (+34%), while other categories saw a more moderate rise of 7% on average.

**Creation of the FSM domicile for Japanese corporations has led to large inflows of resources.**

In 2005 the FSM passed corporate tax legislation that enabled the creation of an overseas domicile which has created a steadily growing stream of revenues to the National government. While FSM saw unusually high tax receipts of \$84 million in FY2018, \$62 million in FY2019, and \$59 million in FY2021, these were exceptional cases. By FY2024, corporate tax revenues had returned to a more typical level of \$11 million.

**The national government has consistently run large fiscal surpluses, while state governments have struggled to maintain balanced budgets.** From FY2014 to FY2022, the national government's fiscal surplus averaged 12.4% of GDP, whereas state governments maintained only a marginal balance of 0.3% of GDP. The disparity has been a persistent concern, particularly as state governments are responsible for delivering core public services in health and education, while facing increasing financial pressure due to the declining real value of Compact sector grants.

**A constitutional amendment passed in July 2023 significantly changed FSM's revenue-sharing arrangements, addressing the long-standing fiscal imbalance between the national and state**

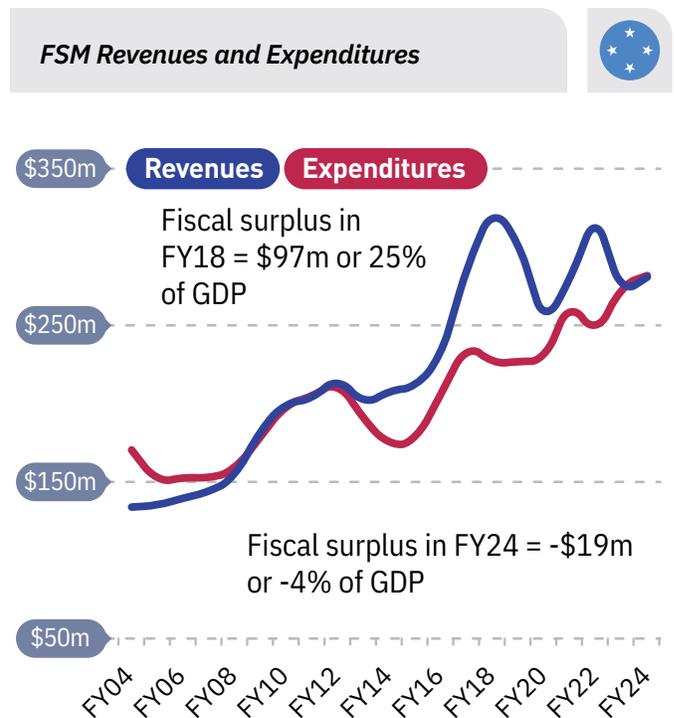
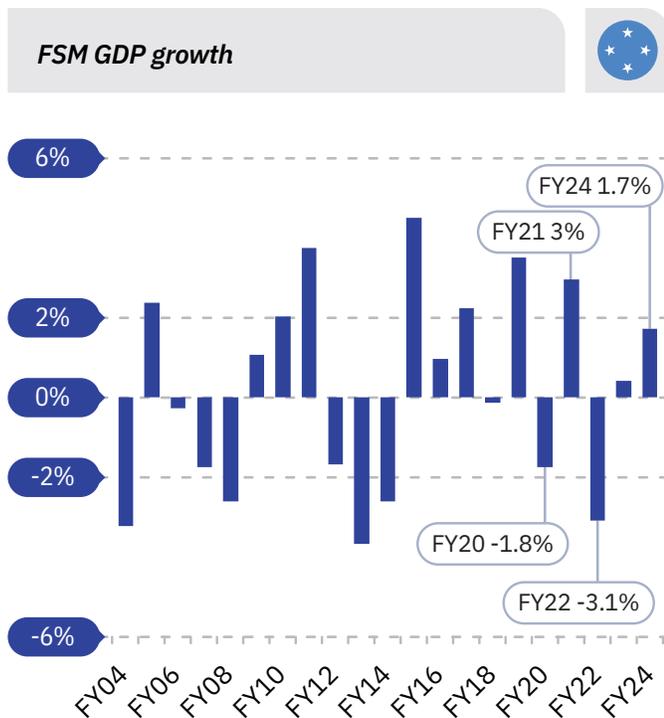
**governments.** The plebiscite resulted in a redistribution of fishing fee revenues, splitting them equally between the national and state governments. In response, the national government repealed various laws that had previously earmarked funds for state support. As a result, state expenditures and surpluses increased in FY2023 and FY2024, while the national government’s fiscal position turned negative due to both revenue losses and rising operational and legislative expenditures.

**The FSM Trust Fund (FSMTF) has grown significantly, fueled by years of national government fiscal surpluses and rising sovereign rents.** By November 2024, the FSMTF was estimated to be close to \$525 million, representing a major financial achievement. At the same time, increased national revenues allowed for growth in congressionally funded projects, which peaked at \$29 million in FY2020 before declining to \$14 million in FY2022 and an estimated \$7 million in FY2024. The recent constitutional changes are expected to further reduce congressional project spending, lead to fiscal adjustments in national government operations, and limit additional contributions to the FSMTF.

**FSM has lost its “grant-only” status and will transition to a 50/50 blend of grants and loans under**

**international financing arrangements.** In 2013, the IMF and World Bank conducted a Debt Sustainability Analysis (DSA), determining that while FSM’s external debt was low, uncertainty over the 2024 Compact renewal created a high risk of fiscal stress and unsustainable borrowing, prompting international donors to designate FSM as “grant-only” to reduce its reliance on debt. With the successful renewal of the Compact in 2024, FSM is no longer classified as high risk for debt distress, resulting in the removal of its grant-only designation. Moving forward, FSM will receive international development financing through a blended model, with funding split equally between grants and loans.

**The 2023 Amended Compact agreement, signed into law in March 2024, provides FSM with increased financial resources but also introduces expanded reporting obligations.** Annual sector grants will rise from \$100 million (including the Supplemental Education Grant) to \$140 million, and FSM will continue to receive federal grants and services. Unlike RMI and Palau, FSM will not receive an annual 2% inflation adjustment, but this is offset by a one-time \$500 million contribution to the COFA Trust Fund. The agreement includes a provision for continued economic assistance beyond FY2043, though details on future funding adjustments remain unclear. The role of the Joint Economic Management Committee (JEMCO) has



been expanded, shifting from pre-approval of grants (ex-ante) to post-implementation oversight (ex-post). Additionally, FSM must comply with a broad set of annual reporting requirements, including a Strategic Development Plan, Infrastructure Development Plan, Annual Implementation Plans, quarterly and annual financial reports, and performance assessments. These changes enhance fiscal oversight and long-term financial planning while ensuring continued U.S. economic support.

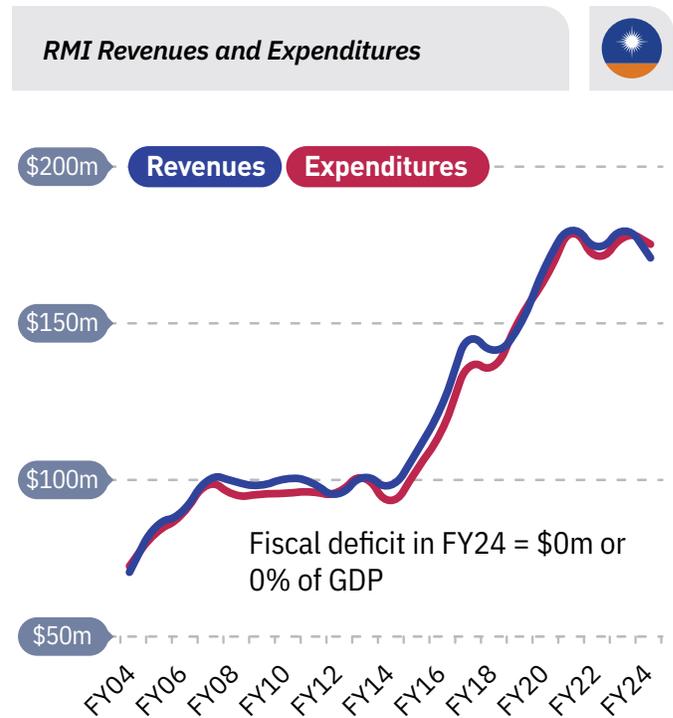
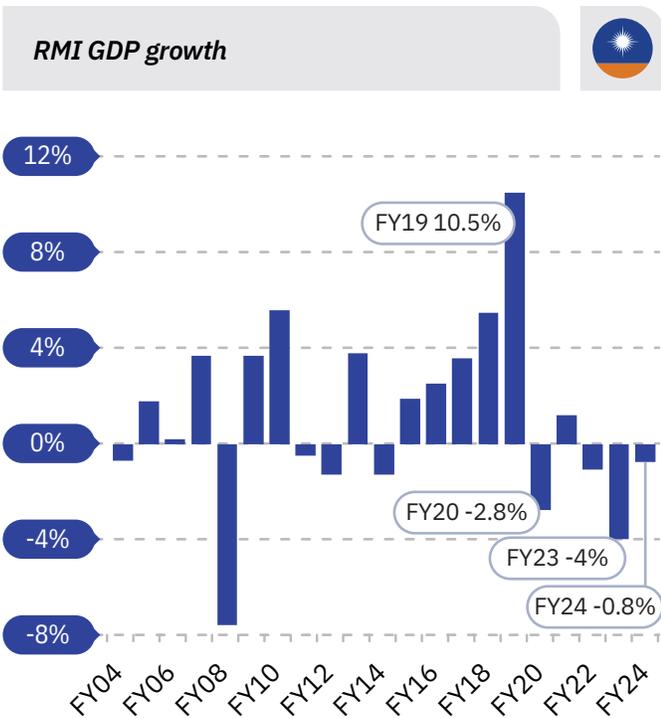
**RMI: Economic Development and Issues**

**The direct economic impact of COVID-19 on the RMI was limited, but GDP declined significantly in the post-pandemic period.** Initial estimates projected a 5.5% decline in GDP due to the pandemic, but actual contraction from FY2019 to FY2022 was 2.7%, in line with typical year-to-year fluctuations. When excluding the fishing sector, the overall decline during the COVID period was a modest 0.6%. However, in FY2023, the economy contracted by 4.0%, driven by the collapse of the Kili, Bikini, and Ejit (KBE) local government, high

inflation, and the expiration of COVID-related stimulus programs. Preliminary estimates for FY2024 indicate a further 0.8% decline. Although the 2023 Amended Compact was renewed in March 2024, no operational grants were awarded that year, tightening fiscal conditions and further weakening demand, contributing to the continued economic downturn.

**Inflation in RMI surged between FY2022 and FY2024, rising by 14.9% following a period of modest price growth during the COVID years.** Between FY2019 and FY2022, inflation remained relatively low at 4.4%. The global inflation surge—driven by stimulus policies, supply shortages, and the war in Ukraine—did not initially impact RMI. However, in FY2023, prices rose sharply by 7.4%, primarily due to higher food costs and increased local tobacco taxes imposed by local governments. Inflation is estimated to have increased by an additional 7.0% in FY2024.

**Fiscal policy in the RMI has been largely reactive to revenue availability, with expenditures closely tracking revenue growth.** During the first decade of the 2003 Amended Compact (through FY2014), revenues averaged 50% of GDP, while expenditures averaged 51%. From FY2014 onward, revenues grew significantly due to rising sovereign rents, fishing fees,



and ship and corporate registry revenues, reaching an average of 61% of GDP in FY2022–FY2024, even as COVID-related funding declined. Expenditures followed a similar trajectory, averaging 59% of GDP during the same period. This pattern reflects a spending model that adjusts quickly to revenue increases, with little evidence of countercyclical fiscal management based on economic conditions.

**The RMI is at risk of losing its “grant only” status with the Asian Development Bank (ADB) and World Bank, due to the favorable terms of the 2023 Amended Compact and an upcoming reassessment of the International Monetary Fund’s (IMF) Debt Sustainability Analysis (DSA).** Under the current grant-only designation, RMI’s external debt has declined significantly, preventing the debt surges experienced during the original Compact period and the early years of the 2003 Amended Compact. However, with continued U.S. grant support secured under the 2023 Amended Compact, the RMI may no longer qualify for grant-only financing in the next DSA update. Regardless of its classification, the RMI remains highly vulnerable to climate change and sea level rise, and its history of unsustainable debt accumulation suggests a strong case for maintaining its current designation to prevent future fiscal challenges.

**The 2023 Amended Compact agreement provides increased funding but introduces extensive reporting requirements.** Signed into law on March 9, 2024, the agreement significantly expands financial support for the RMI. Annual sector grants will increase from \$35 million (including the Supplemental Education Grant) to \$50 million, with an additional \$8 million allocated annually for supplemental health funding and various one-time grants. Federal grants and services will continue, along with an expanded role for the Joint Economic Management and Financial Accountability Committee (JEMFAC). Previously focused on ex-ante grant approvals, JEMFAC’s oversight has now shifted to post-implementation monitoring. The agreement also mandates extensive annual reporting requirements, including a budget and investment framework, infrastructure development plan, implementation plan, financial reports (both annual and quarterly), and performance reports. These provisions strengthen fiscal oversight and accountability, ensuring that increased U.S. financial assistance is effectively managed and aligned with long-term development goals.



## PALAU: Economic Developments and Issues

**After a prolonged period of contraction due to COVID-19, Palau’s economy began to recover in FY2024, with projected growth of 8.3%.** Unlike other South Pacific economies, tourism recovery in the Western Pacific has been slow, contributing to economic stagnation in FY2022 and FY2023. Weak visitor arrivals, a strong U.S. dollar, and high inflation suppressed demand during this period. However, in FY2024, these challenges began to ease as inflation declined, visitor numbers improved, and new infrastructure projects were launched, allowing the economy to rebound. Based on performance in the first half of the fiscal year, growth is expected to reach 8.3%.

**Inflation in Palau surged in FY2022 and FY2023, primarily due to rising global oil and food prices and the introduction of the Palau Goods and Services Tax (PGST).** Inflation averaged 13.2% in FY2022, driven by supply shortages, expansionary fiscal policies, and the war in Ukraine. While global inflationary pressures began to ease in FY2023, the implementation of the PGST caused a temporary spike in local prices, pushing inflation to 10.8%. The impact of the PGST was a one-time adjustment, and inflation is projected to decline to 3.7% in FY2024 as its effects stabilize.

**During the COVID-19 crisis, Palau required financing equivalent to 24% of GDP to sustain government operations, marking a departure from its historically conservative fiscal policies.** The pandemic led to a record deficit of 13% of GDP in FY2020, though tight fiscal controls reduced the deficit to 7.3% in FY2021 and 0.6% in FY2022. However, in FY2023, the deficit rose to 2.9% due to increased expenditures across multiple sectors, despite higher revenues from the PGST. Over the FY2020–FY2023 period, Palau accumulated a cumulative deficit equivalent to 24% of GDP, reflecting the financial strain caused by the pandemic.

**In FY2023, Palau successfully implemented a major tax reform initiative, introducing the PGST and a Business Profits Tax, marking a significant overhaul of the country’s tax system.** These reforms were widely debated in public hearings, state-level town hall meetings, and an economic symposium held in May 2021 with support from the Chamber of Commerce. The tax reform bill was passed in September, and PGST revenues exceeded expectations, helping to restore fiscal balance and reducing reliance on deficit financing.

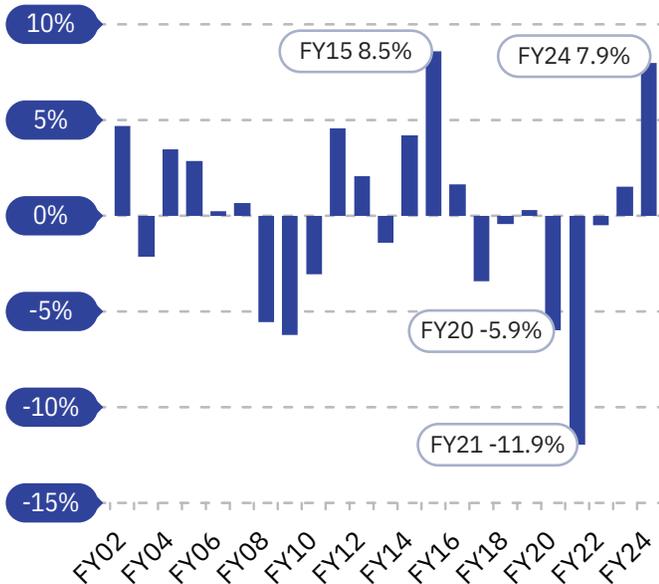
However, the introduction of the PGST contributed to higher inflation as businesses sought to recover pandemic-related revenue losses.

**Palau’s external debt-to-GDP ratio peaked at 79% in FY2023 and is projected to decline gradually.** The debt ratio increased rapidly from 30% in FY2018 to 70% in FY2021, as the government borrowed heavily to fund operations during the pandemic. Debt peaked at 79% of GDP in FY2023 and is expected to fall to 69% in FY2024, with further reductions in the coming years. Rising international interest rates have increased debt service costs, though these are projected to decline as global inflation stabilizes. The six-year, \$10 million annual fiscal consolidation grant from the 2023 Amended Compact will help Palau manage its debt burden. However, a comprehensive debt management strategy is needed to ensure these funds are effectively used to reduce debt and prevent a fiscal crisis when Compact funding expires in FY2030.

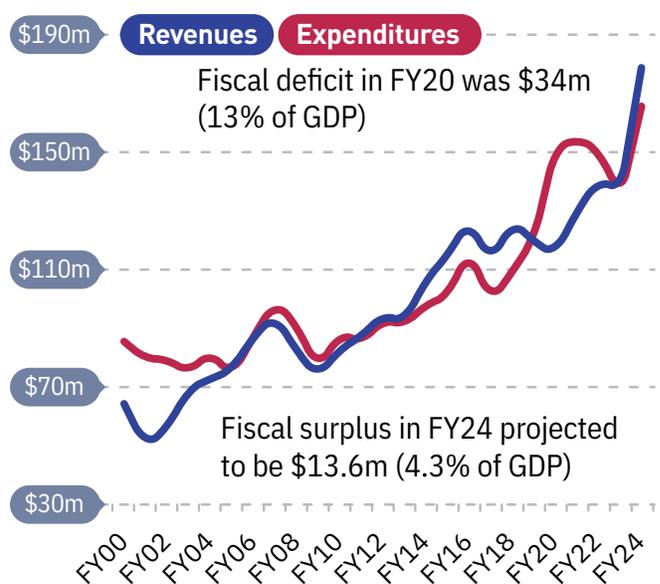
**The 2023 Amended Compact agreement, signed into law in March 2024, provides significant long-term financial assistance to Palau.** The agreement includes:

1. \$20 million annually for education, health, climate adaptation, environmental protection, justice, and public safety, with a 2% annual inflation adjustment.
2. \$5 million in infrastructure grants, plus a 2% adjustment.
3. \$5 million in infrastructure maintenance grants, plus a 2% adjustment.
4. Six annual \$10 million grants, starting in FY2024, for fiscal consolidation of debt incurred before April 1, 2023.
5. Two \$50 million deposits into the Palau COFA Trust Fund.
6. This Compact agreement provides critical financial support for Palau’s long-term economic stability, while ensuring resources are available for debt reduction, infrastructure improvements, and essential public services.

Palau GDP growth



Palau Revenues and Expenditures





# Looking Ahead

The Pacific and Virgin Islands Training Initiatives (PITI-VITI) have confirmed upcoming dates for key program activities.

Please contact us at [info@pitiviti.org](mailto:info@pitiviti.org) or visit the sites referenced below for additional information.

## IGFOA Virtual Meeting

May 1, 2025, at 2:00 PM Hawaii time  
<https://pitiviti.org/igfoa-spring-2025>



## GFOA & IGFOA SUMMER MEETINGS

June 26 – July 2, 2025

## APIPA 2025 MEETING

September 8 – 12, 2025  
<http://apipa2025.org>



## Economic Advisory Group Palau Visit

September 15-19, 2025



## IGFOA WINTER MEETING

December 2025

## ELDP CLASS OF 2025

June 13, 2025 – Executive Leadership Development Program USVI Graduation  
 August 2025 – Executive Leadership Development Program Pacific Graduation  
<https://eldp.pitiviti.org>



# Training & Technical Support

 [learn.pitiviti.org](https://learn.pitiviti.org)



## 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.



## Strategic Goal 5:

Improve the Capacity and Capabilities of the Public Sector Work Force in Critical Positions and Functions.

A core strength of the PITI-VITI program is its ability to align the strategic goals of federal and insular governments and deliver training and technical assistance that directly support the priorities of the insular governments. Through PITI-VITI, participants access a wide range of virtual and on-site classroom training opportunities, drawing from the Graduate School USA's broad curriculum and experienced instructors.

In 2024–25, PITI-VITI provided training across a range of priority areas, including ethics, governmental

accounting, grants management, auditing practices and standards, leadership development, project management, internal controls, and updates on GASB standards. In addition to formal courses, PITI-VITI offered on-site technical support and informal workshops tailored to the specific needs of individual insular governments.

Over the program year, PITI-VITI conducted a total of 90 training and consultative activities, including:



The USVI Office of the Public Auditor enhanced their Auditing Performance Outcomes with PITI-VITI Instructor Drummond Kahn. (December 2024)

- ★ 12 sessions of the Executive Leadership Development Program (ELDP), including two orientation sessions that engaged program alumni;
- ★ 24 consultative engagements, including technical presentations and informal workshops;
- ★ 33 standalone classroom-style courses; and
- ★ 21 courses delivered through the 2024 APIPA Conference.

In total, PITI-VITI delivered 1,137 hours of classroom and consultative training to 5,097 participants. Through these efforts, 24,775 Continuing Professional Education (CPE) units were awarded.

### Course Participants by Jurisdiction

The graph below shows that 3,908 participants attended 54 PITI-VITI courses during the 2024–25 program year. This total includes both on-site courses (48) and virtual courses (6). Attendance remained strong and was consistent with the 3,249 participants who completed courses in the prior program year.

Palau had the highest number of course participants this year (866), largely due to the 2024 APIPA Conference being held on-island, which provided multiple training opportunities for Palau government officials. Participation was also strong from the Republic of the Marshall Islands (676), the Commonwealth of the





*PITI-VITI Instructor Jeanne Yamamura conducted training on Governmental Accounting & Reporting in Saipan, CNMI.*

Northern Mariana Islands (517), the Federated States of Micronesia—including Chuuk, Kosrae, Pohnpei, and Yap (1,237)—and American Samoa (455). Participation from the U.S. Virgin Islands (USVI) was lower, with 48 participants, due to timing challenges that limited access to regional course offerings.

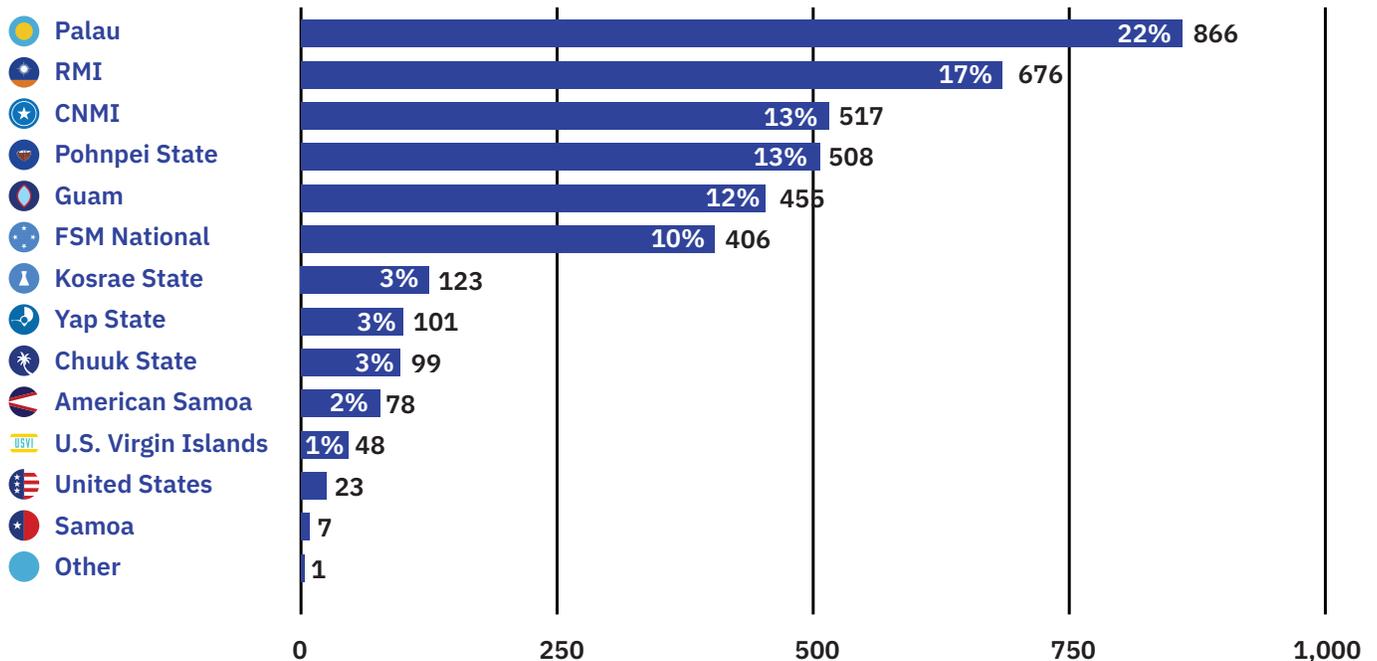
standards. Maintaining a balanced mix of in-person and online delivery ensures that governments benefit from specialized, on-site sessions while also accessing broader, region-wide learning opportunities virtually.

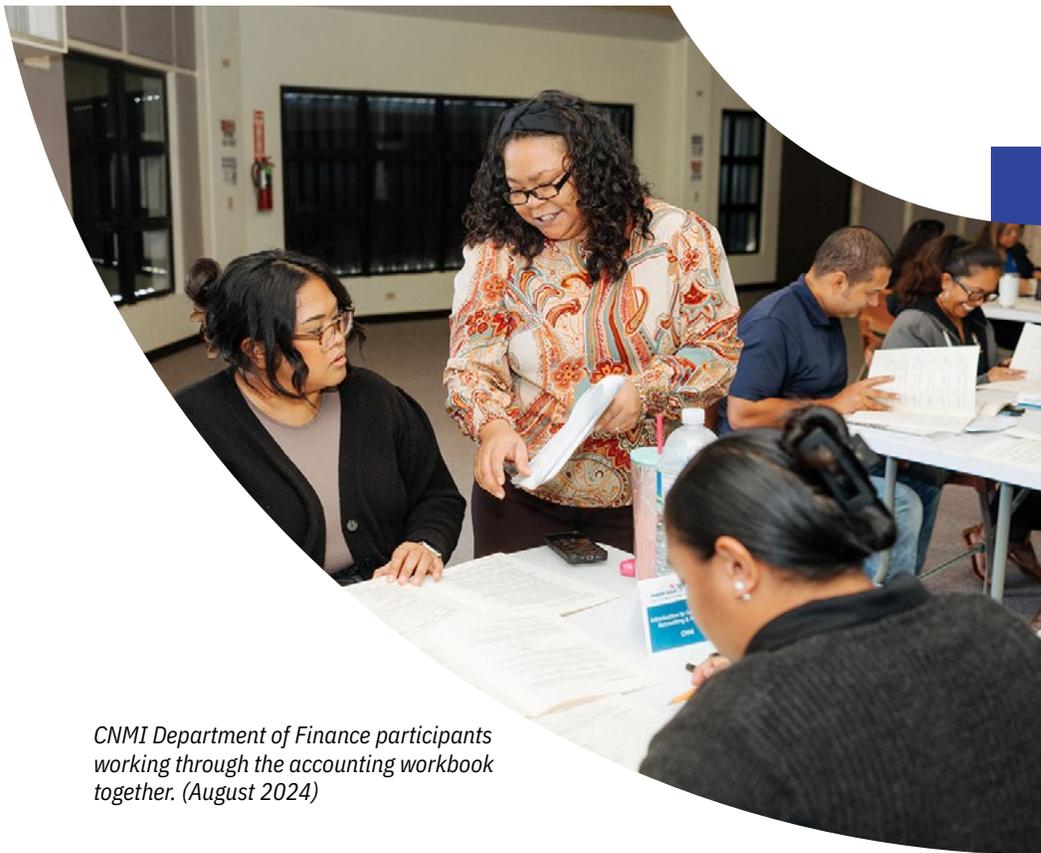
Looking ahead, demand for in-person training is expected to remain strong, as insular governments continue to express a preference for on-site delivery. To enhance reach and flexibility, on-site training is often supplemented by virtual sessions. Virtual offerings are also used to provide quick-response or time-sensitive training on emerging issues and new

### Responsive and Customized Responses to Training Needs

One of the greatest strengths of the PITI-VITI program is its ability to respond quickly and effectively to government requests for training and technical assistance. In addition to its responsiveness, PITI-VITI

**Total Participants by Jurisdiction 2024-2025 - 3,908**





*CNMI Department of Finance participants working through the accounting workbook together. (August 2024)*

maximizes resources and minimizes costs by scheduling training activities sequentially across multiple jurisdictions, allowing instructors to deliver multiple courses during a single trip. This approach ensures the efficient use of travel and instructional resources while supporting the delivery of tailored, high-quality programs.

Several examples of responsive efforts from the 2024–25 PITI-VITI program year include:

- 
**Guam:** PITI-VITI responded to separate training requests from both the Guam Office of Public Accountability (OPA) and the Department of Administration (DOA), delivering customized courses to support the professional development needs of auditors and grants management staff. For OPA, three targeted audit courses were delivered, which focused on audit selection strategies, fraud risk indicators tied to federal infrastructure funding, and best practices for resolving audit findings. PITI-VITI worked separately with DOA to deliver two tailored federal grants management sessions—one for beginner-level participants and one for more advanced practitioners. The GSUSA instructor collaborated closely with DOA to align the training content with the specific responsibilities and experience levels of each group.
- 
**Federated States of Micronesia:** PITI-VITI leveraged the timing of the Guam training to deploy the same instructor to support a subregional audit workshop in the Federated States of Micronesia. The workshop brought together participants from all five FSM public audit offices, including representatives from the FSM National Government and the state audit offices of Pohnpei, Chuuk, Kosrae, and Yap. By coordinating these sessions as part of a single trip covering both Guam and FSM, PITI-VITI was able to extend the reach of its training while maintaining cost efficiency and supporting broader regional capacity-building objectives.
- 
**American Samoa:** In response to a request from the American Samoa Territorial Audit Office, PITI-VITI delivered two customized courses for auditors and audit managers. Writing Audit Reports by Objectives focused on using audit objectives to
- 
**Commonwealth of the Northern Mariana Islands:** PITI-VITI developed and delivered customized accounting training in collaboration

guide planning and reporting, helping participants structure findings and communicate results clearly. Developing and Presenting Audit Findings provided practical techniques for organizing audit evidence into clear, well-supported findings across various audit types. Both sessions were tailored to the needs of American Samoa's audit staff to strengthen effectiveness in audit reporting.

**U.S. Virgin Islands:** In December 2024, PITI-VITI delivered a specialized audit training session for officials from the U.S. Virgin Islands Inspector General's Office, with additional participation from an internal auditor in the government's utility division. The course, Auditing Performance Outcomes, focused on evaluating the impact of government programs by assessing cause-and-effect relationships, isolating results attributable to specific initiatives, and applying cost-benefit analysis. Through case exercises, participants practiced using evaluation designs to support clear, evidence-based findings.

PITI-VITI's approach of combining consultation with hands-on training continues to be effective in meeting the specific needs of insular governments. By tailoring content to local contexts and delivering instruction through both targeted courses and regional coordination, the program strengthens practical skills and supports real-world application. This approach reflects PITI-VITI's ongoing commitment to providing focused, relevant training that leads to measurable improvements in government performance.

## Regional Audit Training

PITI-VITI provides audit training and technical support to help insular audit offices meet the professional requirements outlined in U.S. Government Auditing Standards. These standards set expectations for both the institutional quality control systems of audit offices and the individual competence of auditors. Two core standards supported by PITI-VITI are:

- ★ **Competence** – Continuing Professional Education (CPE): Each auditor must complete at least 80 hours of CPE every two years, including a minimum of 24 hours focused on auditing in the government environment.
- ★ **Quality Control** – Peer Review: Each audit office must undergo an external quality control review, or peer review, at least once every three years

Audit offices that do not meet these requirements may be at risk of conducting audit work that falls short of Government Auditing Standards. Since 1991, PITI-VITI has worked closely with insular audit offices to provide required training and to support the development and implementation of a peer review program through the Association of Pacific Islands Public Auditors (APIPA).

As part of this support, PITI-VITI solicited input from audit offices across the region to identify training priorities for both the annual APIPA Conference and jurisdiction-specific sessions. Suggested topics drew from both instructor expertise and curriculum provided by the Graduate School USA's Government Audit Training Institute. APIPA sessions covered foundational topics such as Basic Auditing, Audit Evidence and Documentation, and the ABCs of the Single Audit, along with more specialized content on internal controls, developing audit objectives, and financial statement auditing.

In the 2024–25 program year, PITI-VITI delivered audit instruction at the APIPA Annual Conference and conducted 21 customized audit training courses throughout the region. These sessions covered a wide range of subjects including writing audit reports, decision-making, emotional intelligence for auditors, and updates on Government Auditing Standards. In-person courses were held in American Samoa, the Commonwealth of the Northern Mariana Islands, Guam, the Federated States of Micronesia, the Republic of the Marshall Islands, the Republic of Palau, and the U.S. Virgin Islands, complemented by several office-hosted and general virtual sessions throughout the year.

In total, 2,560 participants took part in PITI-VITI audit training activities during the 2024-2025 program cycle, earning 16,149 Continuing Professional Education (CPE) credits. These efforts reflect PITI-VITI's ongoing commitment to strengthening audit capacity and professional standards across the insular governments.

PITI-VITI's regional audit training continues to produce outcome-driven results that strengthen audit capacity and promote transparency across the insular governments. In 2024–25, audit offices reported notable progress, including:

- ★ Increased capacity in performance, financial, investigative, and grant auditing, supported by both staff recruitment and targeted professional development;

- ★ Improved quality and clarity of audit reports; and
- ★ Broader dissemination and discussion of audit findings through legislatures, the media, and public forums.

PITI-VITI's longstanding emphasis on in-person, on-site training remains a core strength, providing meaningful engagement and direct support to audit professionals. At the same time, the program continues to adapt, using virtual tools to deliver training that is responsive to jurisdiction-specific needs. This flexible approach ensures that PITI-VITI can maintain and expand the capabilities developed to date while meeting the evolving demands of audit offices across the region.

## Regional Finance Training

PITI-VITI provides regional financial training to support insular government agencies in strengthening financial management practices and meeting evolving accounting standards. These efforts focus on building the capacity of central finance offices and other government entities to improve reporting, internal controls, and audit readiness.

In fiscal year 2024–25, PITI-VITI delivered customized financial training through a combination of jurisdiction-specific sessions and regional events. The APIPA and IGFOA conferences remained key platforms for delivering foundational and emerging financial topics, including courses such as Introduction to Governmental Accounting and Reporting, Basic Governmental Accounting, and updates on GASB Statements 100–104.

Throughout the year, 769 participants took part in PITI-VITI financial training activities. These participants represented a range of agencies, including central finance offices, component units, and other government departments. Courses were tailored to local needs and addressed practical challenges faced by finance professionals. Examples include:

- ★ **Introduction to Governmental Accounting and Reporting (CNMI):**  
Delivered in person from August 18–22, 2024, this five-day course provided 79 CNMI government employees with an overview of accounting systems, internal controls, and documentation practices, supporting improved understanding of foundational financial processes.

- ★ **Basic Governmental Accounting (APIPA 2024):**  
Offered as a 1½-day course during the APIPA Conference, this session introduced 165 participants to the structure of governmental funds, the accounting cycle, internal controls, and preparation of financial statements.

- ★ **Preparing for Change: Overview of GASB Statements 100–104**  
This training introduced participants to GASB Statements 100–104, which include updates on reporting accounting changes and corrections (100), employee leave liabilities (101), financial risk disclosures (102), improvements to reporting formats (103), and capital asset disclosures like leases and IT subscriptions (104). The training was held during the Winter and IGFOA sessions, with 47 participants attending, and at the APIPA Conference, where 75 participants completed the training.

- ★ **Preparing for Change: Overview of GASB Statements 100–104:**  
Delivered during both the APIPA and IGFOA conferences, this course covered recent GASB updates, including accounting changes and corrections (100), leave liabilities (101), risk disclosures (102), financial reporting improvements (103), and capital asset disclosures (104). A total of 122 participants completed the training across these sessions.

In addition to foundational training, PITI-VITI responded to growing concerns about audit delays linked to FMIS issues, turnover in audit firms, and staffing challenges. Specialized sessions at IGFOA and other events focused on improving engagement with external government auditors, interpreting audit findings, and developing responsive action plans. Additional workshops addressed broader workforce development and service delivery capacity challenges within the public finance sector.

PITI-VITI remains committed to strengthening financial management across the insular areas. Through a combination of in-person and virtual sessions, the program continues to support insular governments in addressing factors contributing to audit delays, adapting to new accounting standards, and improving the overall quality of financial operations.

## Regional Grants Training

PITI-VITI's regional grants training initiative is designed to strengthen the capacity of insular governments to manage federal grant programs effectively and in full compliance with applicable regulations. Insular governments face a range of recurring challenges in this area, including audit findings related to eligibility, cost principles, cash management, and internal controls. Broader issues such as staffing shortages, procurement constraints, IT limitations, and gaps in formal policies and procedures further complicate grants administration.

To address these challenges, PITI-VITI delivers targeted training and technical assistance that supports improved performance, oversight, and regulatory compliance. The program focuses on equipping grants managers and project staff with current knowledge, practical tools, and strategies aligned with evolving federal requirements. In 2024, the program welcomed many new participants across the insular areas, helping strengthen their capacity to manage federal awards efficiently and effectively. Examples of training delivered include:

- ★ **Customized Grants Management Training (Guam):** In August 2024, PITI-VITI delivered a three-part grants training series for the Government of Guam, covering basic, intermediate, and advanced topics. The Basic course introduced core responsibilities during the grant lifecycle, including recipient duties and key compliance tasks. The Intermediate course focused on project scoping, time and resource planning, and program management strategies. The Advanced course addressed the full grant lifecycle—from award to closeout—with an emphasis on audit readiness, regulatory compliance, cost principles, and performance reporting.
- ★ **Grants Training at the 2024 APIPA Conference (Palau):** Two grants-focused courses—Project Management for Grants and Introduction to Grants Management—were delivered during the August 2024 APIPA Conference. A total of 328 participants completed these sessions, which emphasized practical strategies to improve grant program outcomes through better communication, leadership, acquisition planning, and compliance with federal requirements.

Through these efforts, PITI-VITI continues to support insular government professionals in strengthening their

grants management practices, reducing audit risks, and improving the overall effectiveness and accountability of federally funded programs across the region.

## Regional Project Management Training

In response to growing demand for project management skills, PITI-VITI delivered a regional virtual training course in 2024–25 that attracted strong participation from across the insular areas. *Project Management Essentials* introduced participants to the PMBOK® Guide framework and provided a structured approach to managing projects through all phases—from initiation to closeout. The course emphasized practical tools and techniques used by experienced project managers to lead teams, manage timelines, and achieve results. Held virtually from September 15–19, 2024, the training was completed by 104 participants representing a wide range of agencies and jurisdictions across the region.

## APIPA Peer Review & Institutional Support

PITI-VITI provides critical institutional support to insular government audit offices to ensure compliance with U.S. Government Auditing Standards. One key requirement of these standards is for each audit office to undergo an external quality control review, commonly referred to as a “peer review,” at least once every three years. These reviews are essential to maintaining the credibility, independence, and quality of government audit work. All APIPA member offices are currently in compliance, and the next review cycle is scheduled for 2025.

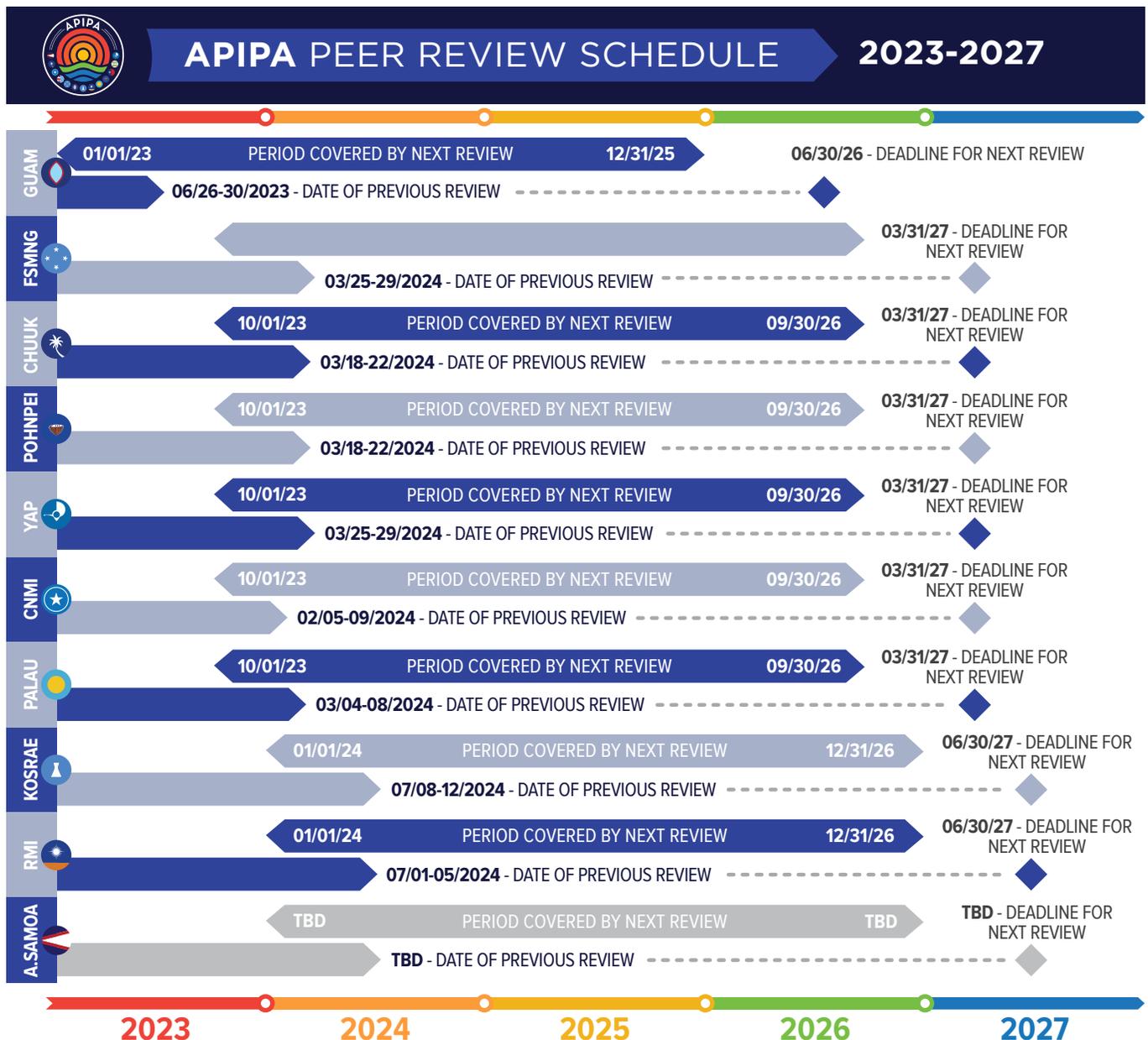
In the 2024–25 program cycle, PITI-VITI played a lead role in coordinating, supporting, and strengthening the APIPA peer review process across the insular areas. PITI-VITI worked closely with the Association of Pacific Islands Public Auditors (APIPA) to provide structured guidance, training, and technical assistance in preparation for the upcoming review cycle. These efforts included:

**Peer Review Schedule Development:** PITI-VITI partnered with APIPA leadership to develop and formalize a schedule for the 2025 peer review cycle. This included identifying review teams, coordinating logistics, and aligning review dates with member office availability to ensure timely and effective implementation across all participating jurisdictions.

**Training on Government Auditing Standards** - To support readiness and ensure consistent understanding of peer review criteria, PITI-VITI delivered both virtual and in-person training sessions. Two virtual workshops introduced auditors to the APIPA Peer Review Manual and provided practical guidance on applying Government Auditing Standards in peer review contexts. Additionally, an in-person session in Palau—held in conjunction with the APIPA Principals’ Meeting—offered an in-depth review of audit quality requirements and peer review procedures. This session was attended by public auditors from nearly every APIPA member office.

**Technical Support for Peer Reviews:** Throughout the year, PITI-VITI provided on-demand technical assistance to peer review teams, including help with interpreting standards, reviewing documentation, and resolving review findings. This support ensured consistency across offices and helped uphold the quality and credibility of the peer review process.

**Communication with External Auditors:** PITI-VITI also facilitated discussions between public audit offices and island finance offices to improve understanding and resolution of issues raised by external financial



statement audits. These conversations helped strengthen inter-agency communication and improve follow-up on audit findings.

In addition to formal training and coordination, PITI-VITI's subject matter experts regularly serve as peer reviewers or advisors to audit offices, offering tailored support on topics such as audit planning, documentation of continuing education, audit manual development, and maintaining independence in accordance with professional standards. Throughout the year, PITI-VITI responded to numerous inquiries from audit offices, addressing questions on audit scope, reporting requirements, training compliance, and institutional policy development.

These combined efforts reinforce PITI-VITI's long-standing commitment to building the capacity of insular government audit offices. By supporting peer reviews and promoting adherence to professional standards, PITI-VITI helps ensure audit offices remain effective, accountable, and aligned with best practices in public sector auditing.

## Technical Assistance to Audit Offices

In addition to formal training programs, PITI-VITI provides technical support to APIPA member audit offices through both remote and on-site assistance. This support is delivered by subject matter experts who work closely with audit offices to address operational challenges, strengthen practices, and ensure alignment with Government Auditing Standards. On-site support is frequently provided alongside formal course delivery, allowing for a combination of structured training and hands-on consultation tailored to the office's specific needs.

During the 2024–25 program year, PITI-VITI provided technical assistance in several key areas, including:

**Audit Independence:** Guidance on maintaining independence when audit offices are assigned additional responsibilities, including support for documenting threats and safeguards in accordance with professional standards.

**Audit Report Writing:** Review of draft audit objectives, scopes, and reports to ensure clear alignment between

audit work and findings, often provided as a follow-up to related training sessions.

**Audit Quality Management:** Assistance with drafting and refining audit office manuals, with emphasis on alignment with external quality control (peer review) requirements.

**Staff Recruitment and Retention:** Consultations on strategies for attracting and retaining qualified audit personnel, including navigating certification and licensing requirements.

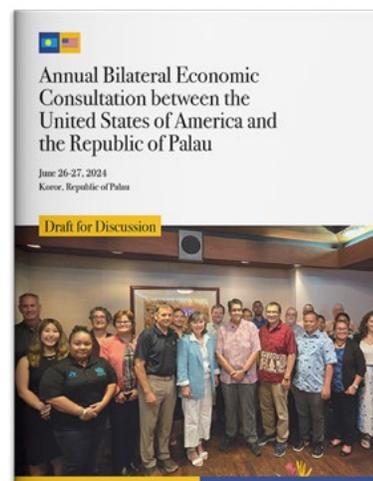
**Subsequent Events:** Guidance on how to address government actions occurring after the audit period, including strategies for acknowledging the official audit timeframe while appropriately describing relevant post-period developments.

**Peer Review Preparation:** Support for documenting training and procedures required for successful participation in external quality control reviews.

By combining remote access to subject matter experts with targeted on-site engagements, PITI-VITI ensures that audit offices receive timely, practical support that supplements their institutional capacity and professional standards compliance.

## US-Palau Bilateral Economic Consultations Under the Compact Review Agreement: June 2024

The Annual Bilateral Economic Consultation between the United States and the Republic of Palau, held in Koror from June 26–27, 2024, brought together government





*US and Palau representatives attend the US-Palau Bilateral Economic Consultations in Koror, Palau (June 2024).*

representatives to discuss economic priorities under the 2023 Compact Review Agreement. The meeting, facilitated by Graduate School USA economist Kevin O’Keefe, focused on Compact implementation, economic reforms, and financial management strategies. Key topics included public financial management improvements, tax reform updates, infrastructure investment, and debt management strategies. Palau officials presented ongoing initiatives, highlighting economic recovery efforts, fiscal policy adjustments, and strategies to enhance financial transparency and accountability. The Graduate School USA played a central role in guiding discussions, ensuring that both Palau and U.S. representatives engaged in productive dialogue on economic challenges and opportunities.

A major focus of the consultation was the implementation of Palau’s Public Financial Management (PFM) Roadmap, which aims to improve fiscal forecasting, enhance budgeting processes, and strengthen government financial oversight. Discussions also covered Palau’s tax reform progress, particularly the impact of the newly introduced Palau Goods and Services Tax (PGST) and other tax measures. Additional agenda items included aid coordination, workforce development, energy sector investments, and the long-term sustainability of the Palau Compact Trust Fund. The GSUSA EconMAP program supported discussion through technical insights on key issues, and by helping to align Palau’s economic strategies with best practices in fiscal governance and policy implementation.

The consultation concluded with discussions on next steps for fiscal and economic planning, as well as key reporting obligations under the Compact agreement. The meeting underscored the importance of ongoing collaboration between Palau, the United States, and development partners to sustain economic growth and stability. A full proceedings document was drafted and shared with principal parties.

## Supporting CNMI’s Audit Capacity through the Division of Revenue and Tax

The CNMI Division of Revenue and Tax (DRT) Audit Capacity Assessment, conducted in November 2024, focused on strengthening tax enforcement, enhancing audit effectiveness, and addressing economic crimes. Led by Graduate School USA with US Department of Treasury advisors, the assessment evaluated existing audit practices, particularly in tax fraud detection, gaming operations oversight, and delinquent tax collection. The team worked closely with DRT leadership and staff, identifying operational gaps and areas for improvement. The assessment also laid the groundwork for a structured audit capacity-building initiative, designed to improve compliance, efficiency, and fiscal accountability.

A key component of the initiative was the development of a comprehensive work plan for 2024–2025, outlining specific actions to enhance audit effectiveness, introduce risk-based audit strategies, and improve regulatory oversight in gaming and economic crime enforcement. The Graduate School USA team provided advisory support, assisting in designing new audit procedures, refining case selection criteria, and improving data analytics capabilities. Additionally, the assessment highlighted the need for expanded training, technology adoption, and improved interagency coordination to address tax compliance challenges.

The engagement concluded with a series of targeted workshops, equipping DRT staff with practical skills to enhance tax audits, enforce gaming regulations, and combat financial crimes. These sessions focused on risk-based audit approaches, administrative procedures, and legal frameworks available for tax enforcement. The Graduate School USA team will continue to support the implementation of the audit improvement plan, ensuring long-term sustainability of reforms. Additional details



*Graduate School USA economist Dr. Mark Sturton with DOI economist Melissa Braybrooks and DOI Acting Director of Technical Assistance Tanya Joshua at the Winter IGFOA Conference.*

on the findings and recommendations have been made available to CNMI and DOI officials through the **Audit Capacity Strategy and Implementation Plan – 2024 to 2026**.

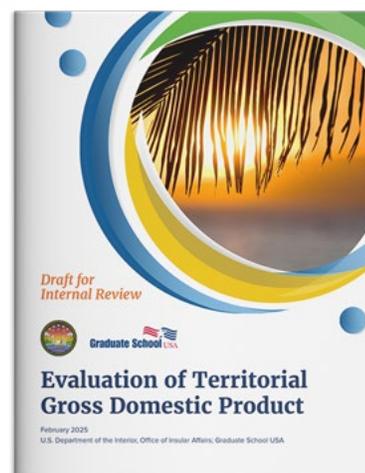
## Evaluating Territorial Gross Domestic Product

The 2024 evaluation of Gross Domestic Product (GDP) estimation in the U.S. territories focused on assessing the quality, timeliness, and accessibility of economic data. Led by the U.S. Department of the Interior's Office of Insular Affairs (DOI), with support from Graduate School USA economist Dr. Mark Sturton and statistician Mr. Glenn McKinlay, the assessment aimed to identify gaps in territorial economic statistics and provide a background paper with recommendations for improvement. As part of this initiative, the team conducted on-site evaluations in American Samoa (March 31–April 3), Guam (May 27–31), and CNMI (June 3–7), meeting with government statistical offices, finance departments, and other stakeholders. These visits provided an in-depth review of data collection processes, the availability of administrative records, and capacity constraints affecting economic data compilation.

While territorial GDP estimation methodologies follow international standards, the assessment found that they often lack timeliness and sectoral detail, limiting their usefulness for policy development, investment planning, and fiscal management. The team worked closely with local agencies to evaluate existing GDP compilation methodologies, particularly the expenditure and

production approaches, and explored alternative data sources to improve accuracy, reliability, and reduce lag times. Key recommendations included enhancing data-sharing agreements, modernizing data systems, and increasing U.S. interagency coordination to better align territorial statistics with national standards.

The Graduate School USA team provided technical guidance throughout the assessment, offering recommendations to support capacity-building efforts in local statistical offices. With strong existing relationships with territorial finance offices and leadership, Graduate School USA continues to support efforts to strengthen economic data collection and reporting. The final report, developed in close collaboration with DOI officials, outlines short- and long-term strategies for improving GDP estimation, providing options for better-informed economic policymaking in the U.S. territories.





# PITI-VITI Press Releases and Publications



## Press Releases

 [pitiviti.org/news](https://pitiviti.org/news)

June  
2024

Island Government Finance Officers Association Holds a Successful Annual Meeting in Orlando



Oct.  
2024

Association of Pacific Island Public Auditors Successfully Completes 35<sup>th</sup> Annual Conference in Koror, Palau



July  
2024

Pacific and Virgin Islands Training Initiatives Federal Partners Communication on the Insular Areas

Dec.  
2024

Island Governments Address Audit and Workforce Challenges at IGFOA 2024 Winter Meeting



## Publications [pubs.pitiviti.org](https://pubs.pitiviti.org)

### Conference, Meeting and Training Reports



**Island Government Finance Officers' Association 2024 Virtual Spring 2024 Meeting Report**  
May 2024

<https://pubs.pitiviti.org/igfoa-virtual-spring-2024>



**Association of Pacific Islands Public Auditors 2024 Conference Report**  
December 2024

<https://pubs.pitiviti.org/apipa-2024>



**Second Report of the Palau Economic Advisory Group**  
May 2024

<https://pubs.pitiviti.org/eag-report-2>



**Island Government Finance Officers' Association 2024 Summer Conference Report**  
January 2025

<https://pubs.pitiviti.org/igfoa-summer-2024>



**Proceedings of the Annual Bilateral Economic Consultation between the United States of America and the Republic of Palau**  
July 2024

*Unpublished*



**Island Government Finance Officers' Association 2024 Winter Conference Report - TBD**  
March 2025

<https://pubs.pitiviti.org/igfoa-winter-2024-conference-report>



**Island Government Finance Officers' Association GFOA 2024 Virtual Fall Conference Report**  
November 2024

<https://pubs.pitiviti.org/igfoa-2024-fall>



**CNMI Department of Revenue and Taxation Audit Capacity Strategy and Implementation Plan – 2024 to 2026**  
November 2024

*Unpublished*

### Economic Publications



**Policy Note: Minimum Wage in the Republic of the Marshall Islands (RMI)**  
March 2024

<https://pubs.pitiviti.org/rmi-min-wage>



**Second Report of the Palau Economic Advisory Group**  
May 2024

<https://pubs.pitiviti.org/eag-report-2>



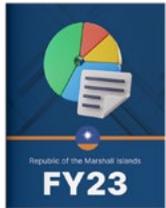
**Policy Note: Tax Reform Options for the RMI and Estimation of Fiscal and Economic Impact**  
May 2024

<https://pubs.pitiviti.org/rmi-tax-reform>



**Policy Note: Adopting a Two-Phased Approach to Tax Reform in the RMI**  
August 2024

<https://pubs.pitiviti.org/rmi-tax-reform-2>



**RMI FY23 Economic Statistics (Preliminary)**  
 September 2024  
<https://pubs.pitiviti.org/rmi-fy23-economic-stats-prelim>



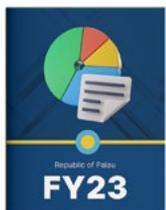
**RMI FY24 Economic Review**  
 March 2025  
<https://pubs.pitiviti.org/rmi-fy24>



**Palau FY24 Economic Review**  
 October 2024  
<https://pubs.pitiviti.org/pal-fy24>



**FSM FY23 Economic Review**  
 March 2025  
<https://pubs.pitiviti.org/fsm-fy24>

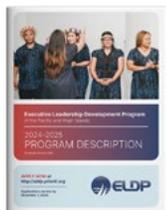


**Palau FY23 Economic Statistics (Preliminary)**  
 December 2024  
<https://pubs.pitiviti.org/palau-fy23-stats-prelim>

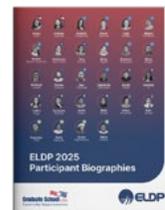


**Evaluation of Territorial Gross Domestic Product**  
 February 2025  
 Unpublished

**ELDP Publications**

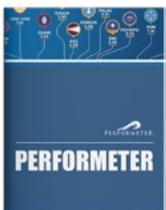


**Executive Leadership Development Program - Program Overview**  
 August 2024  
<https://pubs.pitiviti.org/eldp25-program>



**Executive Leadership Development Program 2025 Participant Biographies**  
 January 2025  
<https://pubs.pitiviti.org/eldp-25-bios>

**Performer Reports**



**2024 Performer Reports (varying FYs based on audit issuance)**  
 January 2024  
<https://pitiviti.org/performers>

-  Am. Samoa FY22
-  Yap FY21
-  CNMI FY21
-  Guam FY22
-  FSM FY21
-  Palau FY21
-  Chuuk FY21
-  RMI FY21
-  Kosrae FY21
-  USVI FY21
-  Pohnpei FY21

# PITI-VITI 2024-2025 Program Activities by Quarter

## FIRST QUARTER 2024: APRIL-JUNE

ACTIVITY	COURSE TITLE	SITE	DATES	INSTRUCTOR	PARTICIPANTS	HOURS
Consult.	Assessment of Statistical Capacity of CNMI	CNMI	March 31 - April 3, 2024	M Sturton; G McKinlay	60	40
Facilitation - EconMAP	USG Briefing on RMI Development Dialogue and Compact	RMI	April 4, 2024	K O'Keefe	15	1
IGFOA	Virutal IGFOA: Spring	Regional	April 4, 2024	D Milks; J Yamamura	70	4
Consult.	Assessment of the RMI Financial Management Information System	RMI	April 14-19, 2024	D Milks	20	32
Facilitation - EAG	Virtual EAG Meeting - Discussion of Annual Report	Palau	April 18, 2024	K O'Keefe; EAG Members	8	1
Auditing	Creative and Critical Thinking for Auditors	CNMI	April 24 - 25, 2024	M Binder	23	8
Consult.	Assessment of Statistical Capacity of Guam	Guam	May 27-31, 2024	M Sturton; G McKinlay	60	40
Consult.	Assessment of Statistical Capacity of CNMI	CNMI	June 3-7, 2024	M Sturton; G McKinlay	60	40
Summer IGFOA	Building Transformers to Enhance Government Services	Orlando, FL	June 8, 2024	B Elms	65	1
Summer IGFOA	A Deeper Dive into GASB Standards	Orlando, FL	June 13, 2024	F Crawford	65	1
Summer IGFOA	Effective Performance Measures	Orlando, FL	June 13, 2024	J. Yamamura	65	1
Facilitation - EconMAP	Palau Social Security Reform: Presentation and Discussion	Palau	June 20-21, 2024	K O'Keefe	20	16
Auditing	Auditing Grants	Regional	June 25 - 27, 2024	D Rykken	71	6
Facilitation - PITI-VITI	2nd Palau Bilateral Meeting between US and Palau	Palau	June 27-28, 2024	K O'Keefe; J Aubuchon	35	16

## SECOND QUARTER 2024: JULY-SEPTEMBER

ACTIVITY	COURSE TITLE	SITE	DATES	INSTRUCTOR	PARTICIPANTS	HOURS
Consult.	FSM Statistical Training and Data Collection	FSM	June 29 - July 12, 2024	R Sturton; M Barsabal	30	80
Auditing	Project Management - Identifying, Analyzing, and Managing Project Risk	Regional	July 14 - 18, 2024	C Corbin	29	15
Consult.	Federal Partners Communicating on the Insular Areas	Federal	July 18, 2024	J Aubuchon		
Present. - PITIVITI	US Federal Partners Communicating: A PITI_VITI Overview	D.C.	July 18, 2024	J Aubuchon	65	1
ELDP	ELDP Alumni Class of 2023: Post-Graduation Follow-Up	Regional	August 15, 2024	J Berlin; M Okada; A Mendiola	30	1
Grants	Basic Grants Management	Guam	August 18-19, 2024	D Rykken	66	7
Accounting	Introduction to Governmental Accounting and Reporting	CNMI	August 18-22, 2024	J Yamamura	79	20
Grants	Intermediate Grants Management	Guam	August 20 - 21, 2024	D Rykken	69	7
Grants	Advanced Grants Management	Guam	August 22, 2024	D Rykken	75	4
Auditing	Opening Plenary Session: Unlocking the Power of Strategic Oversight: A Roadmap to Success	Palau	August 26, 2024	K Sedney	395	4
Auditing	Building a Culture of Accountability	Palau	August 26, 2024	K Sedney	145	4
Accounting	Basic Governmental Accounting	Palau	August 26, 2024	J Yamamura	165	12
Auditing	Basics of Investigations	Palau	August 26, 2024	M Elliott, D House, K Kovacek	41	4
Auditing	Selecting and Planning Audits for Return on Investment	Palau	August 26, 2024	M Binder	50	4
Grants	Grants Management	Palau	August 27, 2024	D Rykken	141	8
Auditing	Audit Evidence and Documentation	Palau	August 27, 2024	D Kahn	76	8
Auditing	First Steps of an Investigation and Documents & Fraud Interviewing	Palau	August 27, 2024	M Elliott, D House, K Kovacek	41	8
Auditing	Basic Auditing	Palau	August 28, 2024	F Crawford	109	8

## SECOND QUARTER 2024: JULY-SEPTEMBER (CONTINUED)

ACTIVITY	COURSE TITLE	SITE	DATES	INSTRUCTOR	PARTICIPANTS	HOURS
Auditing	Developing and Presenting Audit Findings	Palau	August 28, 2024	D Kahn	56	8
Auditing	Ethical Decision-Making	Palau	August 28, 2024	M Binder	179	8
Auditing	Auditing Grants	Palau	August 28, 2024	D Rykken	67	8
Auditing	Bribes, Kickbacks and Fraud Investigations	Palau	August 29, 2024	D House, D Kahn	121	8
Auditing	Creative and Critical Thinking for Auditors	Palau	August 29, 2024	M Binder	30	8
Accounting	Perfometer and GASB Updates	Palau	August 29, 2024	D Bean, F Crawford	75	8
Auditing	The Single Audit: What You Need to Know	Palau	August 29, 2024	J Yamamura	156	8
Project Management	Project Management for Grants	Palau	August 30, 2024	D Rykken	187	4
Auditing	Conducting Audits	Palau	August 30, 2024	F Crawford	71	4
Auditing	Red Flags for Infrastructure	Palau	August 30, 2024	M Binder	90	4
Auditing	Audit for Risks in New or Expanded Programs	Palau	August 30, 2024	B Schubert	39	4
Auditing	Closing Plenary Session: Accountability and Transparency in the Pacific: Successes in our Islands	Palau	August 30, 2024	D Kahn	397	4
Facilitation - EAG	Palau Economic Advisory Group Annual Meeting	Palau	September 9-13, 2024	K O'Keefe; EAG Members	120	40
ELDP	Overview of the ELDP: Information Session 1	Regional	September 11, 2024	J Aubuchon	88	1
Project Management	Project Management Essentials	Regional	September 15-19, 2024	C Corbin	61	15
ELDP	Executive Leadership Development Program USVI - Self Discovery	USVI	September 16-20, 2024	Center for Leadership and Management	5	40
ELDP	Overview of the ELDP: Information Session 2	Regional	September 19, 2024	J Aubuchon	57	1

## THIRD QUARTER 2024: OCTOBER-DECEMBER

ACTIVITY	COURSE TITLE	SITE	DATES	INSTRUCTOR	PARTICIPANTS	HOURS
Consult.	RMI Statistical Training and Data Collection	RMI	October 5-21, 2024	R Sturton; M Barsabal	30	80
IGFOA	Virtual IGFOA: Fall	Regional	October 11, 2024	D Milks; J Yamamura	70	4
Auditing	Developing and Presenting Audit Findings	RMI	November 17 - 22, 2024	D Kahn	12	32
Consult.	CNMI Tax and Audit: Strategic Planning and Training	CNMI	November 8-25, 2024	R Hector, M Gavaghan	25	80
Auditing	Intermediate Performance Auditing and Conducting Performance Audits	Palau	December 01 - 04, 2024	D Kahn	6	20
Present. - EconMAP	FAS Federal Coordination Conference, PITI-VITI and FAS Economic Overview	Hawaii	December 4, 2024	K O'Keefe; J Aubuchon	60	1
Auditing	Auditing Performance Outcomes	USVI	December 9 - 13, 2024	D Kahn	14	20
Winter IGFOA	Reviewing Audit Timeliness: Recent Trends and Root Cause Analysis	Honolulu	December 10, 2024	C Wolesely	47	1
Winter IGFOA	Understanding the Risks of Delayed Audits	Honolulu	December 10, 2024	D Milks	47	1.5
Winter IGFOA	Trends in Public Sector Talent Acquisition, and Implications for the Insular Areas	Honolulu	December 11, 2024	R Lavigna	47	3
Winter IGFOA	Preparing for Change: Overview of GASB Statements 100-104	Honolulu	December 11, 2024	F Crawford	47	1
Winter IGFOA	Perfometer 2024 Update	Honolulu	December 12, 2024	F Crawford	47	1
Consult.	FSM Statistical Training and Data Collection	FSM	December 14-23, 2024	M Barsabal	30	40
ELDP	Executive Leadership Development Program USVI - Skill Building for ELDP Success	USVI	December 16-20, 2025	Center for Leadership and Management	5	40
Project Mngmnt.	Project Management Essentials	Regional	September 15-19, 2024	C Corbin	61	15
ELDP	Executive Leadership Development Program USVI - Self Discovery	USVI	September 16-20, 2024	Center for Leadership and Management	5	40
ELDP	Overview of the ELDP: Information Session 2	Regional	September 19, 2024	J Aubuchon	57	1

## FOURTH QUARTER 2025: JANUARY-MARCH

ACTIVITY	COURSE TITLE	SITE	DATES	INSTRUCTOR	PARTICIPANTS	HOURS
ELDP	ELDP Pacific - Cohort 9 Session 1 Orientation Week	Regional	January 13-17, 2025	Jeff Berlin, A Mendiola, M Okada	28	4
Consult.	Guam FMIS Review and Discussion	Guam	January 15, 2025	D Milks	6	8
Facilitation - EAG	EAG Support to Inauguration of H.E. Surangel Whipps, Jr.	Palau	January 16, 2025	J Galbraith	1	24
Auditing	New Yellow Book Standards on Quality Management: What You Need to Know	Regional	January 21, 2025	M Bingham	72	1
Consult.	Reviewing the Revised CNMI Chart of Accounts	CNMI	January 22-24, 2025	D Milks	8	8
Facilitation - EconMAP	UNDP Workshop for FAS Legislative Budget Officers	Regional	January 29, 2025	K O'Keefe	30	1
ELDP	ELDP Pacific - Cohort 9 - The SEED of Perspective - Module 1: The BIG "M" Word & Module 2: Creating a Culture of Confidence	Regional	February 4, 2025	G Furuya, D. Bacon	28	4
Auditing	Developing and Presenting Audit Findings	American Samoa	February 10 -11. 2025	D Kahn	11	16
ELDP	ELDP Pacific - Cohort 9 - The SEED of Perspective - Module 3: Leading Yourself Through Tough Times	Regional	February 11, 2025	G Furuya, D. Bacon	28	4
Auditing	Writing Audit Reports by Objectives	American Samoa	February 12 - 13, 2025"	D Kahn	11	16
Consult.	American Samoa Finance and Performer Briefing with Governor	Am Samoa	February 14, 2025	F Crawford	2	2
Auditing	Contract and Procurement Fraud	CNMI	March 2 - 3, 2025	D Kahn	40	16
Facilitation - EAG	Virtual Planning Meeting of the Palau Economic Advisory Group	Palau	March 3, 2025	K O'Keefe; EAG Members	6	1
ELDP	ELDP Pacific - Cohort 9 - The SEED of Purpose - Module 1: Making a Positive Difference	Regional	March 4, 2025	G Furuya, D. Bacon	28	4
Auditing	Coaching Audit Staff for High Performance	Guam	March 4, 2025	M. Binder	13	8
Auditing	Effective Audit Resolution	CNMI	March 4, 2025	D Kahn	33	8

## FOURTH QUARTER 2025: JANUARY-MARCH (CONTINUED)

ACTIVITY	COURSE TITLE	SITE	DATES	INSTRUCTOR	PARTICIPANTS	HOURS
Auditing	Clear Writing Through Critical Thinking	CNMI	March 5, 2025	D Kahn	7	8
Auditing	Effective Audit Resolution, Follow up and Implementation	Guam	March 5, 2025	M. Binder	18	8
Auditing	Making Your Case for Fraud Prosecution	CNMI	March 6, 2025	D Kahn	9	8
Auditing	Red Flags of Infrastructure Fraud	Guam	March 6, 2025	M. Binder	15	8
Auditing	Quick Response Auditing	CNMI	March 9, 2025	D Kahn	9	8
Auditing	Selecting and Planning Audits for Return on Investment	Guam	March 7, 2025	M. Binder	18	8
Auditing	Effective Audit Resolution, Follow up and Implementation	Kosrae	March 11, 2025	M. Binder	43	8
ELDP	ELDP Pacific - Cohort 9 - The SEED of Purpose - Module 2: Two Outcomes Every Leader Must Achieve	Regional	March 11, 2025	G Furuya, D. Bacon	28	4
Auditing	Red Flags of Infrastructure Fraud	Kosrae	March 12, 2025	M. Binder	43	8
ELDP	Executive Leadership Development Program USVI - Leading at a Next Level	USVI	March 16-20, 2025	Center for Leadership and Management	5	40
ELDP	ELDP Pacific - Cohort 9 - Team Presentations	Regional	March 20-21, 2025	Jeff Berlin, A Mendiola, K O'Keefe	28	4



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