



BBMR

BUREAU OF BUDGET AND MANAGEMENT RESEARCH
SETBISION MANINA YAN MINANEHAN GUSTO

2024 CITIZEN CENTRIC REPORT



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ABOUT THE BUREAU

The Bureau of Budget and Management Research (BBMR) functions as one of the staff offices of the Governor, with a staff complement of 11 professionals. With the passage of PL. 12-115, BBMR provides technical and support services in fiscal planning, directing, and coordinating program planning and evaluation activities. These activities are conducted to ensure that effective planning and management methods are used by departments and agencies of the Government of Guam.



VISION



The BBMR aims to provide guidelines on organizational methods, policy, execution, financial management, and technical assistance to the various agencies and departments within the Government of Guam. The BBMR uses extensive research and planning methodologies for all aspects of GovGuam's operations to ensure all budgetary and control systems are in accordance with all local and federal policies, laws, mandates, and procedures.



MISSION



The BBMR is responsible for developing, implementing, monitoring, and managing the Executive Branch budget for all line agencies of the Government of Guam, as well as providing advisory guidance to the Governor on policy development, program coordination, fiscal impact, planning and budgeting matters.

STRATEGIC GOALS

- Provide guidance and direction to all government agencies on programmatic and budgetary matters.
- Provide the Governor and the Legislature with information and support to effectuate and facilitate policy deliberations and decisions.
- Implement the Governor's programmatic and fiscal policies.
- Review and implement legislative mandates affecting budgetary and fiscal policies government-wide.
- Conduct ongoing review and evaluation of financial and operational controls of the Government.

STAFF COMPOSITION



- 1 DIRECTOR
- 3 B&M ANALYST SUPERVISORS
- 7 B&M ANALYSTS
- 4 ADMINISTRATION

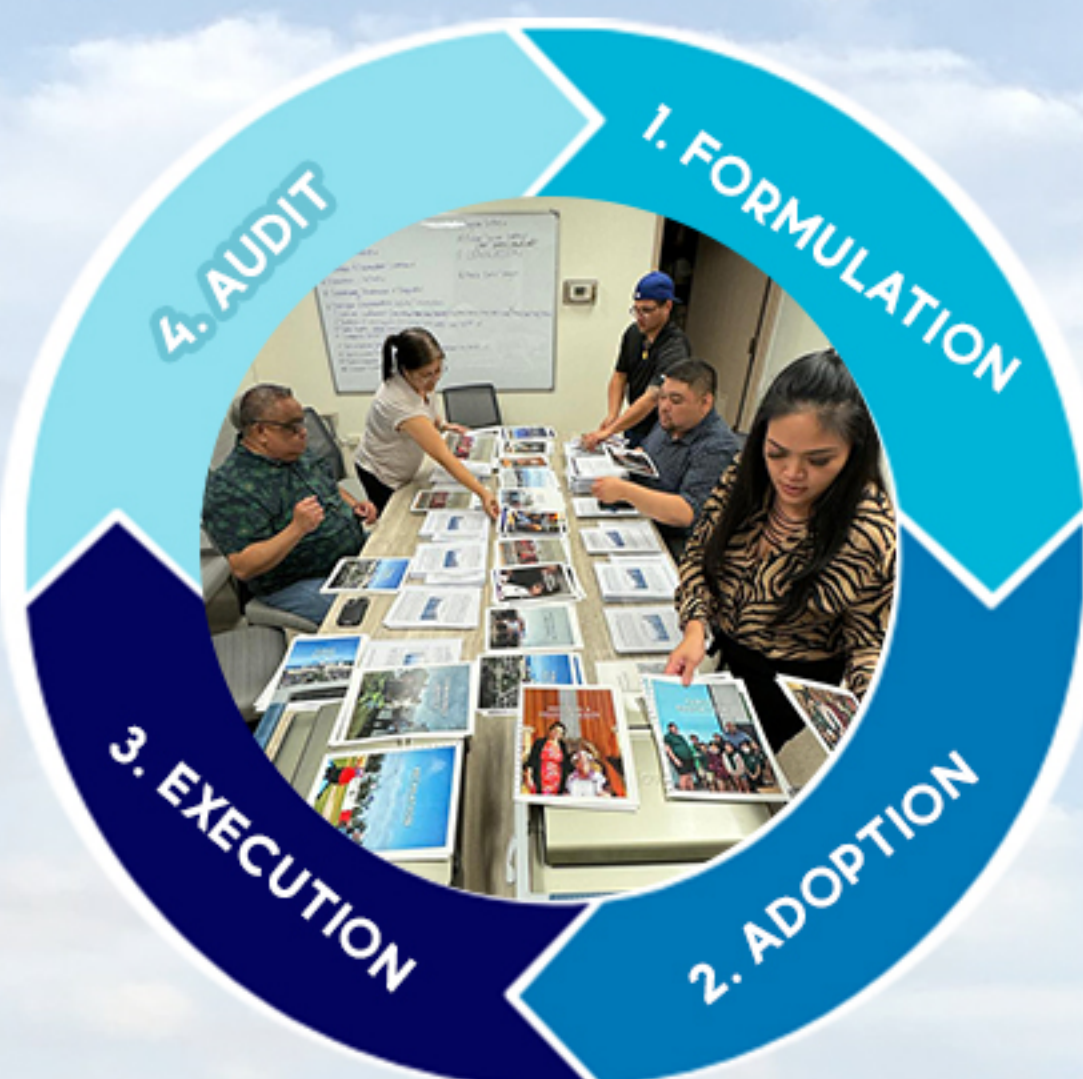
LEADERSHIP

HONORABLE
LOURDES A. LEON GUERRERO
I MAGA'HÅGAN GUÅHAN
GOVERNOR OF GUAM

HONORABLE
JOSHUA F. TENORIO
I SIGUNDO MAGA'LÅHEN GUÅHAN
LT. GOVERNOR OF GUAM

LESTER L. CARLSON, JR.
DIREKTOT
DIRECTOR

THE BUDGET CYCLE



Every fiscal year, the Government of Guam operates using revenues appropriated through that fiscal year's Budget Act. The Budget Act is what authorizes the entire government to spend money from the General Fund and several different Special Revenue Funds. But where does this process start?

The Budget Call is a memorandum that the BBMR sends out between the months of November and December to initiate what is called the "Budget Process." It is through the Budget Call that several actions are set in motion. After this document is disseminated, departments have until the end of December to submit their "Wish List" budgets.

The BBMR reviews each "Wish List" budget and then creates a Budget Ceiling. The Budget Ceiling is determined using revenue projections produced by the BBMR. From this revenue estimate, the Governor divides it out to determine departmental Budget Ceilings. These are used to compile the Governor's Executive Budget Request (EBR).

The EBR is then submitted to the Legislature by January 31 of each fiscal year. If the Governor is in the first year of his/her first term, the EBR shall be submitted no later than April 8 of the same year.

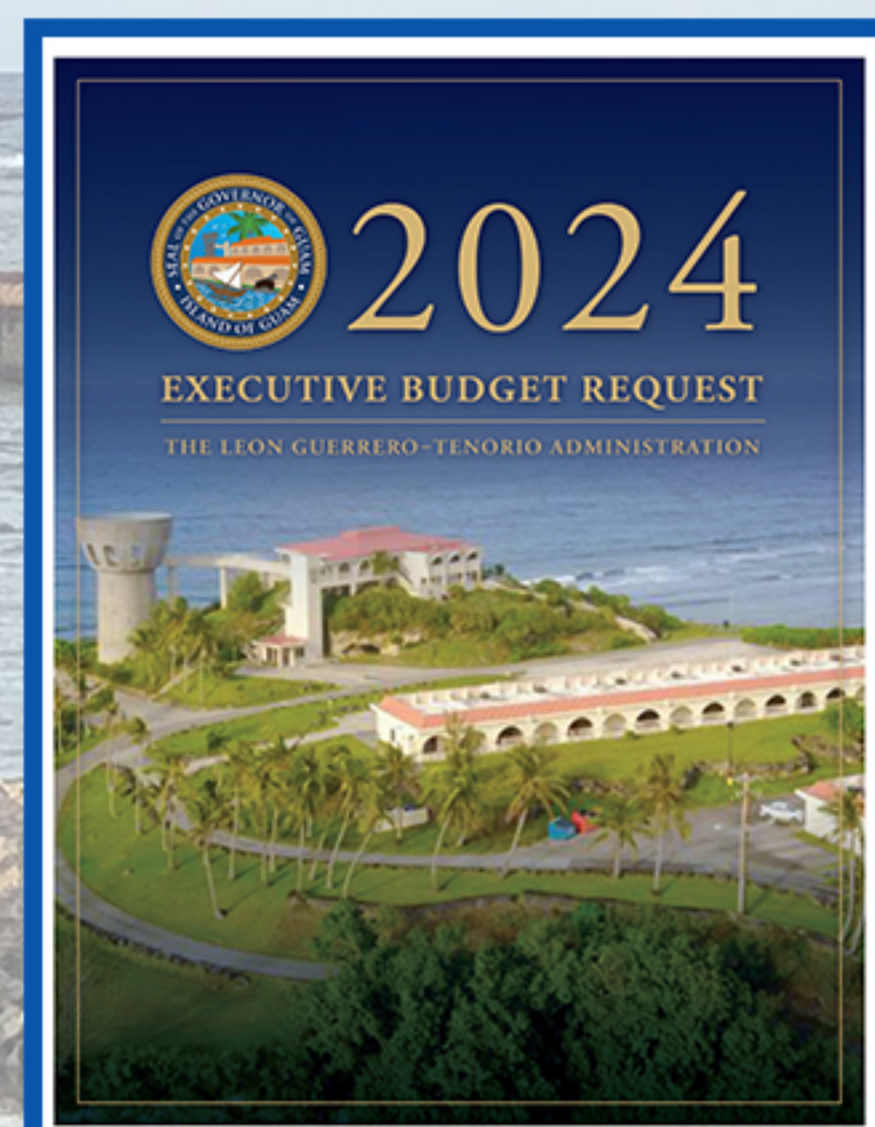
DIGGING A BIT DEEPER

While at its base, the Budget Call is a "call for budgets," it is also a way to standardize the format and the methodology of budgets across all line agencies. How is this done? Well, apart from standard budget forms (e.g., budget digests and staffing patterns), the Budget Call also contains guidelines, both general and fiscal-year-specific, for departments to follow while preparing their budgets.

Some examples are as follows:

- All personnel service costs, utilities, and fixed costs must be fully covered as a priority.
- Personnel service costs should be for currently filled positions and recruitments in progress.
- Budgeting overtime must be justified.
- All anticipated travel must be justified.
- All budget submissions should be presented at maintenance levels, exercising budgetary and fiscal discipline while maintaining critical service needs.

The final guideline listed might raise the question, "But if departments submit 'Wish Lists,' why then is it stated that budgets should be at the maintenance level?" The key to this guideline is the phrase "critical service needs." This is the opportunity for a department to show what the requirements are to run at maximum efficiency. If what a department currently has is not enough, then the "Wish List" is a way to get the conversation started on what is "enough."



SO ARE WE DONE NOW?

Not quite. Once January 31st, or April 8th on special circumstances as stated above, has passed and the Governor's Executive Budget Request has been submitted to the Legislature, the work continues. After all, the Governor's Executive Budget Request is a high-level budget request that presents revenue projections, presents line agency programs, estimates federal funding, and proposes Budget Ceilings for each department.

Hold on, but the department sent in their "Wish List." What more do they need? Remember the Budget Ceilings earlier? All "Wish Lists" are then reworked into departmental budgets in line with the Governor's Budget Ceilings. These departmental budgets are generally due to the Legislature by mid-March.

Then, the Legislature has until August 31st to pass a proposed Budget Act, which the Governor has 10 days to review before the bill passes into law. Only after these steps are completed will we have the final product of a Government of Guam budget. It is this Budget Act that the BBMR and the departments use as a guide for ensuring that all operational, personnel, and service requirements are met throughout the fiscal year while still complying with the law.

FY 2024 BBMR EXPENDITURES + ENCUMBRANCES

GENERAL FUND

\$1,155,987

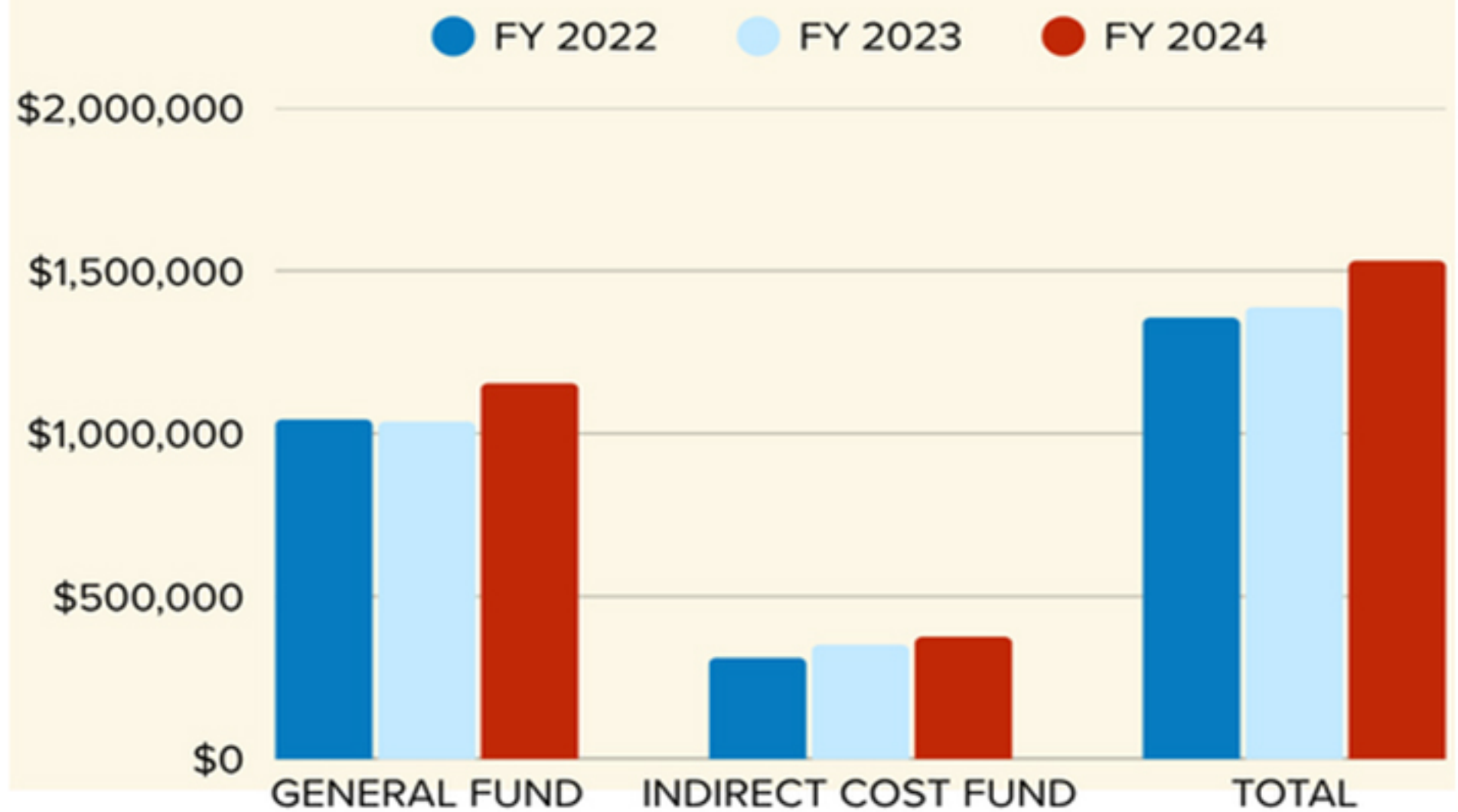
INDIRECT COST FUND

\$375,939

TOTAL

\$1,531,926

FY 2022 - 2024 Expenditures + Encumbrances



GENERAL
FUND

75%

INDIRECT
COST
FUND

25%

WORKLOAD INDICATORS

	FY 2022	FY 2023	FY 2024
1. Coordinate the preparation of the program and financial plan of the Executive Branch and submission of such plans to the Legislature	1	1	1
2. Fiscal Policy Committee Meetings	52	52	24
3. Cabinet Meetings	24	24	12
4. Review of Legislation and provide comments on proposals (Fiscal Notes/Fiscal Note Waivers, Legislative Review Comments)	142	204	185
5. Review of departmental requests such as Contracts, Personnel Action Requests, Travel Authorizations, Modifications, etc.	11,231	12,942	12,912
6. Indirect Cost Negotiation	1	1	1
7. Annual Capital Improvement Project Requests to the U.S. Department of the Interior	1	1	1
8. Prepare Mandated Reports (Monthly Consolidated Revenue and Expenditure Report/Special Revenue Fund Report/American Rescue Plan Act Funds Report, Quarterly Appropriation Reserve Report, Annual Appropriation Allocation Report/Federal Receipts Report/Citizen Centric Report)	43	43	43

The BBMR continues to improve its delivery of services in terms of providing quicker publication times of website content. The goal is to achieve government transparency and improve the public's trust in the Administration. Following the end of the public health emergency in May 2023, the Bureau also continues the protocol requiring all government departments and agencies to submit incoming documents electronically. This measure remains in place to streamline processing and reduce public contact.

Federal government expenditures continue to represent the largest source of funding for the island, supporting economic recovery efforts, infrastructure projects, and continued post-pandemic recovery. There has been an economic upsurge driven by eased restrictions, progress in military base construction, off-base capital improvement projects, and a recovering tourism sector. The BBMR continues to work collaboratively with the Department of Administration (DOA) and recipient departments on managing direct federal aid, including Department of Interior Discretionary grants, Capital Improvement grants, and the ongoing American Rescue Plan Act (ARPA) funds.

The BBMR continues to face the challenge of rebuilding its cadre of Analysts due to attrition, primarily through the retirement of senior personnel and supervisors. The BBMR also faces another struggle in the retention and departure of its professional staff to local Autonomous agencies and the Federal government due to higher salaries offered at these entities. However, the DOA conducted the General Pay Plan (GPP) study and recommended to *I Maga'hågan Guåhan* that the pay structure for the GPP be adjusted by 22% to help bring the pay structure and associated salaries closer to alignment with market data, and to help address the Internal Equity disparity with autonomous agencies. *I Maga'hågan Guåhan* approved the pay plan on January 31, 2023, covering the largest number of positions and the most employees throughout the government.

The Government of Guam has implemented the new Guam Financial Management Information System (GFMS), which replaces the AS400 legacy system. At the beginning of the year, BBMR, DOA, and the various GovGuam agencies have been working together to transfer account data to the new system. Despite ongoing efforts since the system's go-live in February, troubleshooting is still required to address delays in financial reporting, payment processing, and the retrieval of reliable data.



BBMR's Annual Christmas Luncheon



BBMR attendees at the GovGuam Labor Day Picnic



BBMR Christmas Spirit Week



BBMR spreading holiday cheer at the Governor's Annual Christmas Parade

WE WANT TO HEAR FROM YOU!

What are your thoughts on this report?
 Would you like to see other information included?
 Please let us know by contacting our office at (671) 475-9107.
 Visit our website at <http://www.bbmr.guam.gov>.

