

APIPA Executive Meeting
December 5, 2002
Doubletree Alana Hotel Conference Room
Honolulu, HI

In attendance, Haser Hainrick, FSM Public Auditor, Ben Privitt, Office of the Inspector General, Mike Sablan, CNMI Public Auditor, Ross Zapanta, CNMI Senior Audit Manager, Richard Lampkin, CNMI Chief Investigator, Madison Tosie, Kosrae Public Auditor, Steve Van Beverhoudt, VI Inspector General, Nino Tewid, Palau Public Auditor, Doris Flores Brooks, Guam Public Auditor, Francis Sefo, American Samoa Territorial Auditor, Randy Wiegand, Guam OPA Audit Manager.

The meeting was called to order by APIPA President Doris Flores Brooks at 9:15 am.

The Quorum Question

The first item of discussion was whether or not there is a quorum present. It was noted that there is no provision in the MOU for a special meeting outside of the annual meeting. However, it was also pointed out that there are other provisions which are not being followed. Mike Sablan recommended that we make updating the MOU a high priority and that the meeting be considered an informal meeting.

Western Samoa

Francis was asked about the status of Western Samoa as a member in APIPA. Francis said that he had recently been in contact with the PA of Western Samoa and they indicated that they still want to be an active member of the Association and they want to be informed of APIPA activities. It's just that attendance has not been convenient for them so far.

President Brooks introduced the guests in attendance at the meeting: Ben Privitt representing the Department of Interior Inspector General, Richard Lampkin and Ross Zapanta from the CNMI OPA, and Randy Wiegand from the Guam OPA.

Financial Statements

President Brooks provided an APIPA financial statement and indicated that \$7,000 was being transferred to the Pohnpei office for 2003 APIPA expenses. Doris requested that the checks be given to Ursula via the FSM Public Auditor.

The question was raised whether or not the financial statements should be audited. Francis indicated that it would not be cost effective to have the financial statements audited. He said we have been put in our positions because we are trusted by our island governments and we should maintain the status quo with respect to audits. The group voted and decided that the financial statements should not be audited.

APIPA Conference

Mike Sablan offered kudos to the Guam office for their handling of the APIPA conference in May. The group confirmed the following with respect to APIPA 2003:

- The 2003 APIPA conference will be held in Pohnpei
- APIPA will continue to track attendance and a person must be present for 90% of the session in order to receive credit (it was noted that Pohnpei may need some assistance with this due to limited staff)
- The group will recommend to Pohnpei that a track for IGFOA be offered

President Brooks indicated that the current APIPA proposed date conflicted with the annual NALGA conference. She indicated that she will contact Ursula and request that it be moved ahead one week.

Peer Reviews

A peer review schedule was handed out for information purposes only. The schedule indicates when the next peer review for each office is due. It was noted that Western Samoa is not on the schedule. Nino indicated that the office does not have peer reviews at this time.

Mike Sablan suggested that we approach the Jim Johnson to determine if there is any money left in the grant that was provided. This might be sufficient to allow the VI to be reviewed. Mike indicated that in several instances the costs came in less than anticipated and there should be sufficient funding left to perform a peer review. Mike indicated that because he was in charge of the peer review scheduling, he and Nino were being assigned to do the VI peer review. President Brooks indicated that she would be the technical advisor to Mike and Nino on the assignment.

It was suggested that APIPA assign a peer review sub-committee to handle the scheduling of peer reviews going forward. The committee would be responsible for tracking and monitoring peer review activities. Mike indicated that the committee should be established in the revised MOU. A motion was made and 7 members voted in favor.

Mike indicated that APIPA should manage all peer review grants in the future. He said he is now comfortable with the process and believes that APIPA can handle it. He said there had been some bugs in the peer review process with it being handled by USDA Grad School. Additionally, he indicated that the USDA Grad School would rather not manage any future grants on behalf of APIPA. Motion: APIPA should manage the remainder of the current grant and any future grants. 6 yes votes. 1 Abstention.

Please email any corrections of the peer review schedule to President Brooks at dfbrooks@guamopa.org

APIPA 2004

President Brooks indicated that RMI is scheduled to host APIPA 2004, however, she was asking how and when the VI should be worked into the rotation. Also, should some of the state governments be given the opportunity to put on a conference. Steve indicated that he would not be able to host the APIPA 2004. Madison indicated that he would do whatever he could to help APIPA.

Voting Protocol

President Brooks indicated that she had received a request to discuss whether or not the state governments should be given a full vote. The concern had been raised that the state governments might have undue influence on the organization by voting as a block. Nino indicated that each APIPA member should have one vote, however, we should be cognizant going forward of the ability of the FSM to vote as a block. Motion: Should the voting requirement in the MOU be changed. There were no affirmative votes.

Dues

The group discussed whether or not the IG's office should continue to pay dues as a non-voting member of APIPA. Ben Privitt asked the question: Does the IG provide a benefit to APIPA? Motion: Should non-voting members of APIPA be required to pay dues? 0 yes, 7 no votes.

Annual Meeting Agenda

President Brooks indicated that she had received a complaint that there was not enough advance notice of the agenda of the May APIPA meeting. The MOU requires that it be sent out one month in advance. She apologized for not getting the agenda out on time in May. She indicated that it is up to the host to ensure that it gets done in the future.

(Note: A question was raised as to whether or not the MOU was being changed today. It was clarified that the MOU is being discussed only. There will be no changes until the annual meeting.)

QCR Manual

A revised QCR manual was discussed. The manual drafted by Chuck Hester is very large and burdensome. Nino suggested the issue be tabled until after Doris finds out if a NALGA manual is available. 7 yes votes.

Audit Manual

It was suggested that Chuck Hester would be the appropriate person to create an APIPA Audit Manual. Chuck is more familiar than anyone with the operation of each

office. It was suggested that APIPA inquire of DOI whether any grant funds remain so that Chuck can be retained to create an APIPA audit manual. 7 yes votes.

IGFOA

The relationship of APIPA to IGFOA was discussed.

Steve Latimer, Gerry Shea and Jack Maykowski came in the room. They indicated that they had been discussing having a small conference on Pohnpei this year and a larger training session in Guam a little later in the year. Possibly, IGFOA could put on the conference. It was noted that Guam would have a new Director of Administration in January and the issue could be raised with him as to whether or not the conference was feasible.

IG Training Courses

Ben Privitt indicated he was able to secure 4 slots for training in a non-criminal investigator course. He indicated that he offered 2 to Guam and 2 to Saipan. He asked if others would be interested in his continued pursuit of more slots. He indicated that it is very difficult to secure these slots. If any Public Auditors would like to pursue this type of training, please channel the requests through Ben.

(At this point in the meeting, Jim Johnson stepped into the room. The auditors began to question him regarding various issues that arose during the meeting.

When asked about the peer review grant, Jim indicated that he did not remember the grant or if there were any funds remaining. He said that he believed any funds remaining could be reprogrammed for use in the drafting of an APIPA audit manual. He indicated he would look into the grant when he returns to his office.

APIPA Web Site

Steve indicated that he installed a web site for his office this year. He said he paid a one time fee of \$1500 and a monthly cost of \$50. He said that he emails files to the company each time he has a report to upload and they take care of inserting it to the web site. Steve indicated he would contact the company and discuss the possibility of creating a web site for APIPA.

Survey of APIPA Offices

Randy Wiegand handed out a survey that he had completed of the APIPA offices in attendance at the meeting. During his address to APIPA the day earlier David Cohen had requested for information regarding the APIPA offices and constraints that are put on them by their local governments. David Cohen indicated that an island government that receives substantial amounts of money from the federal government should not have the power to decrease the budget of its public auditor in the event the auditor writes reports unfavorable to the government leaders. Randy conducted an informal

survey of APIPA offices in attendance at the meeting in order to propose a format that could be communicated to David Cohen. Randy proposed that the Auditors review the schedules, determine if there are any errors, obtain similar data for the APIPA members not present, and provide the final schedule to David Cohen in January, 2003. President Brooks suggested that an in-depth chart should be created including the number of staff, # of management, and budgets for each office. She volunteered her office to develop a standard questionnaire that could be sent to all offices. The group decided that an in-depth survey would be beneficial to the members of APIPA, however, in an effort to get something in David Cohen's hands soon, the draft schedule should be finalized and communicated to David Cohen early in January, 2003 and the full survey could be conducted later in the year.

Motion: Should APIPA meet with IGFOA after lunch? 0 yes, 7 no votes

Motion: To adjourn the meeting. 7 yes, 0 no votes.

The meeting adjourned at noon.