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DEPARTMENT OF ADMINISTRATION ORGANIZATIONAL CIRCULAR NO.: 2024-024

To: All Line Agency and Department Heads
From: Director of Administration
Subject: **Accounting Process for Obligations**

Buenas yan Hafa Adai!

This is to clarify the accounting process for obligations for line agencies of the Government of Guam.

All invoices received by agencies should be forwarded to the Department of Administration, Division of Accounts upon receipt. This will ensure that all obligations are recorded timely and accurately. It will enable DOA and BBMR to ascertain and identify a source of funding. Unrecorded invoices are the subject of audit comments each year, as Generally Accepted Accounting Principals (GAAP) require that we recognize all obligations as they arise. Untimely remittance of invoices to DOA may cause delays to the audit and this will be noted to the auditors.

DOA is well aware of the provisions of 5GCA §7102 *Standards Established for Handling Money*. DOA will not require agencies or their teams to certify funds unless these funds are available. Invoices will not be paid (money spent) without the funds to do so having been certified.

DOA, Division of Accounts, will respond to any questions which you may have on this process. As we transition to the new GFMIS and a paperless financial system, DOA encourages all agencies to work to capture full and accurate financial information.

Si Yu'os Ma'ase!



EDWARD M. BIRN