



# Guam Is First U.S. Territory Ever to Submit Required Financial Reports

*A release from the Governor's Office • Contact Phill Leon Guerrero at 929-7467 or Phillip.Leonguerrero@Guam.gov*

“We’ll do everything possible to open government up to scrutiny. Transparency and accountability are cornerstones of our administration. We’re delivering on that promise again. We’re proud this CAFR submission will make Guam the first territory ever to comply with this federal requirement.” – *Governor Eddie Baza Calvo*

## Guam Makes History

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Guam is ahead of the curve in fiscal responsibility among the insular areas. For the first time in the history of any U.S. territory, an island government is submitting a federally-mandated financial report. This is called the Comprehensive Annual Financial Report. Congress mandated every territorial governor to submit this CAFR every year to Congress and the Secretary of the Interior. No territory ever has done this.

## What is the CAFR

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In the Organic Act of Guam, one of the duties assigned to the governor is to prepare and submit this CAFR. It's simply a standardized report that tells the federal government how we collected and spent money, and what's going on with our economy and community. The direct mandate for the Governor of Guam is found in Section 1422 of the Organic Act of Guam (the section that spells out the duties of the Governor):

*“The Governor shall prepare, publish, and submit to the Congress and the Secretary of the Interior a comprehensive annual financial report in conformance with the standards of the National Council on Governmental Accounting relating to the physical, economic, social, and political characteristics of the government, and any other information required by the Congress. The Governor shall also make such other reports at such other times as may be required by the Congress or under applicable Federal law.”*

## Why Does the CAFR Matter?

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Aside from federally-mandated reporting requirements, the CAFR serves a number of purposes for citizens, investors, and anyone keen on monitoring how the island and its government are progressing. It provides insight into how public officials are managing public dollars. This is a key component of transparency, fiscal responsibility, and accountability to the citizens.