

Guam Solid Waste Management Division

Special Purpose Review

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Executive Summary

This review of the Solid Waste Management Division's (SWMD) operations was conducted to help identify internal control weaknesses that may exist and to review the reliability of the Tipping Fee System and GovGuam's Accounting System to support SWMD operations.

The objectives of the review were the following:

- Determine the adequacy of the GovGuam Accounting System to meet the business needs of the SWMD;
- Determine any potential issues that need to be addressed related to scale house operations and its interaction with the new billing system software;
- Assess the relationship of the new customer service system with existing systems;
- Determine if there are any weaknesses in the design of SWMD's internal controls; and
- Assess any problems with and the effectiveness of the accounts receivable process.

The audit methodology included meeting with selected SWMD management and staff; and reviewing past audit reports and responses to these reports, the Consent Decree, standard operating procedures, the design of internal controls as a basis for establishing test work, and other correspondence and documents, including newspaper articles. In addition, the audit included examination of certain financial records and supporting documentation as deemed necessary. Specifically, the methodology included:

- Review and briefings on background documents and material;
- Interviews and consultation with key personnel within Guam's SWMD, Department of Administration (DOA), Bureau of Budget and Management Research (BBMR), Data Management Resources (DMR), Receiver Gershman, Brickner & Bratton, Inc., other individuals responsible for SWMD operations, and those that support SWMD;
- Review of supporting documentation of revenues and expenditures and application of analytical reviews to determine reliability, accuracy and reasonableness; and
- Review of SWMD's Standards of Operations and notation of any gaps.

The review sought to address certain questions that were at the core of the objectives listed above. For example, it is important to know whether the GovGuam accounting system is a J. D. Edwards application, noting any similarities and features with that popular accounting system. The review also addressed the customer information system requirements necessary to interface with the existing tipping fee system and the measures SWMD needs to take to gain control over its revenues.

The review of the GovGuam accounting system used by SWMD and other government entities revealed some severe deficiencies. Some of the problems may be familiar as they may have been reported in other audits and reviews. The accounting system and the existing controls do not provide the assurance required to adequately manage SWMD services under the Receivership. Since it is critical to the success of the Receivership that SWMD generate the revenues necessary to support the bond financing and be self supporting, every effort should be made to properly manage and maximize the revenue stream.

The Receiver has already taken major steps to address several issues to improve SWMD operations, such as the installation of the new scale system at the Ordot Dump and the issuance of the request for proposal for a new customer information system.

One major objective critical to SWMD's success is a financial system that is able to assemble, compile and report the results of its operations accurately, consistently and in a timely manner. It is recommended that the SWMD pursue other alternatives to manage accounting and billing to assure accurate, consistent, and timely handling of finances.

Another need is to consolidate the collection, recording and accounting for all tipping fee revenues through a central processing point. The current process is too fragmented. This report recommends use of a lockbox through a single local bank, while maintaining online payments capability and also continuing to accept payments at the Treasury offices. In addition, this report contains several minor findings and comments on the SWMD's operations structure and internal controls.

The findings in this report, which are listed in order of priority, are accompanied by specific recommendations. Following the Findings section is a section on Other Issues that are not necessarily findings but that address audit objectives that did not result in findings.

Finding #1.

Issues with the accounting system and control environment

SWMD, like the rest of Guam's government, relies on the GovGuam Department of Administration (DOA) Accounting System that operates on an AS400 system. The DOA accounting application appears, in many respects, to be identical to J. D. Edwards, a popular accounting and customer relationship management system. Inquiries to the SWMD, DOA and Bureau of Budget and Management Research (BBMR) staff and consultants at the Data Management Resources (DMR) indicate that GovGuam uses a custom-developed application for accounting not a J. D. Edwards System. According to Mr. Joe Naputi of DMR, the application was written in BASIC by Mr. Richard Tiatano. In addition, SWMD relies on a module of that custom application called the Tipping Fee System (TFS) for tracking customer account balances and billing. Both—the Accounting System of GovGuam and the Tipping Fee System—have the look and feel of the J. D. Edwards accounting system.

1. Data Management Resources, Inc., (DMR) provides technical support and maintenance for both systems to GovGuam and SWMD. Several issues were identified: There is no formal contract between SWMD and DMR as a basis for the technical support and maintenance provided by DMR. According to SWMD senior staff, SWMD pays DMR \$45,000 annually for the support services related to the Tipping Fee System. An unsigned/un-executed Memorandum of Understanding (MOU) between SWMD and DOA that addresses services between the two agencies does exist. The MOU, intended to be effective after August 1, 1999, makes reference to implementation of the monthly billing of residential and commercial tipping fees. It makes no direct reference to DMR; however, it states that SWMD shall be responsible for paying the contractor that DOA engages

- (apparently DMR) for all costs. The MOU also seems to imply that the arrangement with the software/technical support vendor (presumably DMR) would be on a month-to-month basis, based on performance.
2. The DOA Accounting System is proprietary, thereby making SWMD completely dependent on DMR. In meetings with SWMD, DOA and BBMR staff, they repeatedly referred questions to DMR for answers. It appears the Government of Guam is extensively dependent on DMR for all technical support; the staff at the departments and agencies did not seem to have in-depth technical knowledge of the accounting system. For all practical purposes, GovGuam is inseparable from DMR.
 3. SWMD managers cannot access accounting data in a timely manner. Controls in the accounting system restrict access by the SWMD staff. The SWMD is not allowed to review the details of transactions in the accounts receivable sub-ledger, which is critical to knowing the details of customer accounts. The inability to access account details seriously impacts SWMD staff's ability to respond to customer inquiries in a timely manner.
 4. It appears the DOA Accounting staff members are overwhelmed with other duties and struggle to maintain the transactions for the SWMD tipping fees. The burden on DOA staff is evidenced by the long delays in reconciling the various bank accounts, posting journal entries and data entry errors that are missed and others identified but ignored because of staff's need to address more "pressing issues."
 5. The handling of tipping fee revenues needs to be streamlined. There are too many parties involved in handling the collection and recording of tipping fees. Collection of tipping fees is not consolidated. The process is fragmented, confusing and inefficient. Customers can make payments at any branch of these three banks: Bank of Guam, Pacific Bank or Citizens Security Bank. Customers also can pay online through GuamPay using credit cards as well as make payments at the Treasury cashier stations. The banks receive the payments for SWMD along with the payment coupons; the banks then credit the payments to a SWMD savings account and forward the coupons to Treasury for processing. These banks, however, sometimes misplace the accompanying coupons or fail to forward them to Treasury, creating problems when applying credits to the correct customer accounts. The use of multiple banks to receive and process tipping fees creates duplication of efforts, multiple sources of deposits that must be recorded by Treasury and multiple bank statements that DOA Accounting staff must reconcile each month. DOA staff is several months behind in the accounts' reconciliation.
 6. The current billing cycle makes reconciling outstanding balances difficult for the SWMD. The billing cycle currently covers three (3) months. Therefore, two of the months shown on the current bill are not due when the bill is issued because advance billing is not permitted by law. This results in a time lag between when bills are sent out and when customers are required to pay, which may be contributing to the slow payments. Also, the fact that only a fraction of the bill is due when issued confuses customers as they attempt to determine what portion of the bill is past due.
 7. The design of the current customer bill is also confusing. The invoices show the past due amount from the previous quarter plus the fee for the first month in the current billing cycle as the amount due for the first month. It assumes the total amount due on the first month's invoice will be paid in full; therefore, the amount due for the second month in the billing cycle, on the same invoice, is the second month's invoice and the third month also shows that month's bill, disregarding the outstanding balance from the previous quarter. For example if the customer had an outstanding balance of \$50.00 from the previous quarter,

- the first month's bill would state \$60.00; but the second month's bill would state \$10.00 and the third month's bill would be another \$10.00 on the same invoice.
8. We identified a lack of established and well communicated standard operating procedures (SOP) within SWMD. There were very few SOP adopted and in use. In many instances, there appear to be no documented procedures and policies. In instances where there are documented procedures, they were in draft mode—neither formally approved nor communicated to staff. The SWMD staff provided only a single SOP on Cash Collection Handling that had been officially approved. The others were in draft form or, as in the case of the new scale system, very new or still being formulated.
 9. There also appeared to be no formal staff training plan. Knowledge is passed from one employee to another as issues as the need arises.

Recommendations

In order to address the myriad of problems with the current accounting system, SWMD should seek to gain more control of its financial operations. It should pursue an alternative accounting system to eliminate the continued dependence on DMR, Treasury and DOA Accounting. Careful planning and a migration process for implementing a new system are essential and must be developed prior to making such a change.

The most important first step, however, is to consolidate and streamline the collection of the tipping fee revenues. The following recommendations should be implemented to achieve this objective:

1. Invoice residential customers on a bi-monthly basis (i.e., six times a year). While billing on a monthly basis would be the best solution for collecting tipping fees because it would allow for identifying and addressing delinquent accounts on a timely basis, monthly billing would increase processing costs considerably; therefore, bi-monthly billing is recommended.

Bi-monthly billing would synchronize the billing schedule with the provision of the current law, which prohibits billing in advance for service. By revising the billing cycle to bi-monthly—billing six (6) times instead of four (4) times a year—and mailing invoices at the beginning of the second month, payment on every invoice will be due in full by the end of the month in which the bill was issued. SWMD could issue the first bill in each year in February to cover service for January and February; with payment due at the end of February, the next bill will be issued in April to cover March and April and so on. Though this recommendation would result in increased processing costs over the current quarterly billing, it would be less costly than billing on monthly basis.

2. SWMD should take the necessary measures to:
 - a. Establish a lockbox agreement with a qualified bank;
 - b. Close and eliminate all bank accounts after securing the services of a qualified bank that offers lockbox;
 - c. Direct all Tipping Fee payments to that single bank account; and
 - d. Deposit in the lockbox all credit card and check payments made online and cash payments made at the bank and Treasury.

Consolidating the services will provide SWMD with a single source of all revenues for the tipping fees. It will also considerably reduce the burden on the DOA and Treasury staff and make it easier to reconcile the revenues and the bank accounts each month with certainty.

3. Over the long term, SWMD should change its complete dependence on DMR, DOA and GovGuam accounting. SWMD should consider eliminating its reliance on the GovGuam tipping fee and accounting systems, which would also end its reliance on overburdened staff and processes that are almost impossible to investigate independently.

It is recommended that SWMD investigate the possibility of using other accounting software. There are Web-based accounting packages that have the functionalities of both the DOA Accounting System and the Tipping Fee System. These systems also are supported by skilled accounting personnel, eliminating the need for the SWMD to employ skilled accountants. Both skilled accounting and technical support would come with such an accounting service. Another important feature of this type of accounting service is that it will grant 24-hour access to all designated staff based on security parameters set by management. Transferring customer data to the system would not be a problem since it can accommodate the critical data elements required in the SWMD Customer Information System Request for Proposal. The system could upload customer information in the same way the tipping fee system is uploaded with detailed client information from GovGuam.

Such a system would allow for instant access to review detailed transactions in real time, plus access to financial statements. This feature would be particularly important to the Receiver and DOA as officials could be granted the appropriate level of security access the system and easily keep abreast with day-to-day financial transactions. Reports would be available to all simultaneously and instantly. This system would be able to track customer accounts in detail and provide accurate aging reports immediately. Such a system could also process employee payroll;. The migration of this work from the existing to a new system would require careful planning.

4. If SWMD continues to maintain a relationship with DMR, it should seek to sign a formal agreement that would address the services to be provided along with expectations of both parties and payment terms. This will be necessary even if DOA Accounting does not pursue a similar agreement with DMR.

Finding #2.

DOA and Treasury posting errors

The investigation revealed that payments for tipping fees at the Treasury windows are entered in to the point-of-sale system by Treasury staff, who generate a report. Such entries are not consistently posted in a timely manner by DOA Accounting. Data entry errors occur frequently and are not identified until the next billings are issued and the customer calls to complain. SWMD Customer Service staff do not have access to review entries to the tipping fees on the accounting system and are therefore unable to identify these problems in a timely manner. Yet these customer service representatives are the people who interface directly with the customers.

Posting errors on customer accounts included:

- a. Posting to wrong customer accounts;
- b. Postings to correct customer but wrong account. Some customers had multiple accounts such as the management companies for residential housing complexes with multiple units. There were instances where the payments were credited to the wrong account, which resulted in accounts with excessive credit amounts and several other accounts with smaller deficit amounts;
- c. Payments are not applied properly; therefore, the Aging Reports are not accurate. Payments are credited to current balance as of the date of payment even though the payment was intended to cover a long outstanding balance. The result is the current balance is zero but the long outstanding balance remains.

Recommendations

1. SWMD should develop an SOP to address corrective actions for errors.
2. SWMD should engage the senior Treasury and DOA Accounting staff to discuss these issues immediately when identified.
3. SWMD should complete a Journal Entry Request form, attach all necessary documentation, secure the necessary approvals within SWMD and forward to the DOA Accounting office to correct the errors immediately.
4. SWMD staff should track and follow up on all requested adjustments.

Finding #3.

SWMD needs to establish and enforce a write-off policy

SWMD has not established a write-off policy for processing old outstanding balances. SWMD continues to carry balances for several years on accounts that are deemed uncollectible.

Recommendations

The SWMD needs to establish and implement a policy to write off uncollectible outstanding fees. It is recommended that SWMD establish a policy to stop service to customers with more than 60 days past due balances. SWMD should establish a policy to write off old accounts after 90 days, if there have not been any activities on the account. These accounts should be turned over to a collection agency for immediate action.

The SWMD should enter into contracts with commercial haulers. The contract should include an audit clause that would allow SWMD staff or its designated representatives to verify the accuracy of the reported collections on customer accounts.

Finding #4.**Control weakness over payment processing within SWMD**

Tests revealed a weakness in the control structure over the SWMD payment process. SWMD Customer Service prepares the data for invoicing customers and the office also receives customers' complaints and makes necessary adjustments to customer accounts. Customers' payments via mail are delivered to Customer Service—the same unit that prepares the invoices, and reconciles and makes adjustments to customer accounts. Customer Service prepares a log and forwards the mail back to the Treasury, but it is unclear how the log is used internally. There is no evidence that Customer Service verifies that the customer accounts have been properly credited.

Recommendations

The SWMD should take steps to segregate the duties of Customer Service to ensure that it does not have complete control over the process of billing and receiving funds, from beginning to end. If SWMD can implement the lockbox recommendation in the near future, this issue will be eliminated. However, if the lockbox recommendation is not implemented or is delayed, SWMD should segregate the process of billing and receiving mail containing payments. In that case, SWMD should identify an individual internally, not involved in the billing process, to handle the mailed payments or direct the mail to the Treasury's office without opening them.

Finding #5.**SWMD staff should lead efforts to ensure customer accounts are always correct.**

Errors in customer accounts identified by BBMR, DOA and SWMD were not addressed for over nine months. It appears these departments were reluctant or lacked the confidence to take ownership of the SWMD revenue collection process. As a result, each department (SWMD, DOA Accounting and BBMR) waited on the other to take initiative to correct known errors. As a result of discussions during this investigation, the Customer Service supervisor was encouraged to devise a form along with supporting documentation and to prepare a journal entry that, after review and internal approval, would be used to submit journal entries to DOA to correct errors in customer accounts.

Recommendations

SWMD management should adopt an SOP that requires staff to take the initiative to ensure customer accounts are accurate. When errors are detected, they should be reviewed with management and corrected immediately. It should be made clear to all parties that the primary responsibility to detect and correct errors rests with SWMD.

Finding #6.**Cash control procedures at Transfer Stations and the Ordot Dump can be enhanced**

The audit reviewed the cash management, billing and collection operations of the scale house at the Ordot Dump and at the three Transfer Stations as well as the deposit of the funds to the Treasury. We also observed and tested operations at the Dededo Transfer Station and the Ordot Dump. These two sites together handle 77 percent of the revenues collected at the SWMD's disposal sites.

There is no approved Cash Collection SOP on file. Cash controls over the tipping fees collected at the sites appear adequate, considering the size of the operation and the amount of cash generated at the sites. We planned our visits to coincide with the cash pickup by the courier. The procedures for pickup and delivery to Treasury on weekdays are adequate. However, on weekends, the employee who serves as the courier takes the funds home and continues the process on the following workday. Although the amount of the cash pickup is currently quite small, this process should be unacceptable.

The procedures at the stations for collecting cash should also be improved. Currently the staff creates a sequential count of the cash collected on a photocopy of a form used to itemize the individual collections. The cashier at the Transfer Station or the Ordot Dump uses tracking numbers that are continuous from the prior day's number; however the numbering is handwritten by the staff each day. With the exception of the Ordot Dump, almost 100 percent of the funds are cash, and there is nothing to prevent the staff from destroying one list and restarting another form with the same number.

The cash pickup time at the Ordot Dump is at the close of business so the cash collected there is through the end of the operations for that day. The cash collected from the Transfer Stations is for sales during the previous day. However, there are no safes on site or any appropriate place to secure the funds overnight.

A review of the cash collections at the sites over several months shows consistent collections for each station over the period, even though there are variations from station to station with the exception of the Agat Transfer Station. The sales at Agat over the period fluctuated significantly.

Cash Collections At Disposal Sites

For the Period October 2008 through March 2009

	Oct-08	Nov-08	Dec-08	Jan-09	Feb-09	Mar-09
Ordot Dump	\$5,968	\$6,245	\$7,090	\$5,875	\$5,150	\$5,643
Agat Xfer Station	\$1,615	\$1,300	\$1,680	\$1,465	\$910	\$1,160
Dededo Xfer Station	\$4,585	\$4,265	\$5,500	\$4,695	\$3,915	\$4,390
Malojloj Xfer Station	\$1,700	\$1,565	\$2,180	\$1,730	\$1,585	\$1,620

Recommendations

1. The SWMD should develop a written SOP for handling of cash at the Ordot Dump and Transfer Stations.
2. The SWMD should train staff on the new SOPs when developed.
3. The SWMD should install safes are that will allow the staff to secure funds over the weekend until picked up by the courier on the next working day.
4. The SWMD should post signs at the Transfer Stations to encourage customers who do not receive a receipt for cash paid to report to the incident to a dedicated phone number.
5. The SWMD should institute a process to monitor the results of the operations of all stations on a continuing basis. Any noted irregularities should be investigated immediately. Staff at the Transfer Stations should be informed of the monitoring process in place and potential consequences for any improprieties identified.

Finding #7.

Control over new weigh scale can be enhanced

The SMWD recently completed installation of the new scale at the Ordot Dump and has developed a draft SOP to manage the operations in the interim. The draft procedures appear comprehensive and adequate. They include ensuring that all commercial, government, and Mayors' trucks are weighed at scales; all roll-off trucks are weighed on entry and exit; and all residential customers pay current gate rates at scales. Residential customers are directed to place their waste into roll-off bins. The roll-off bins for residential customers are weighed prior to dumping in order to determine the tipping fee to be paid by each residential customer.

In addition the following controls are being implemented to control customer tickets:

- All commercial, government, and Mayors' office trucks dumping in the active cell will be required to show their weight ticket to a SWMD spotter prior being allowed to dump;
- Roll-off trucks will be issued a temporary pass that must be shown to a SWMD spotter prior to dumping. The roll-off truck will return to the scales and return the pass to the scale operator upon exit; and
- All customers will receive a copy of their weight ticket.

The following measures are being put in place to handle customer billing as well:

- Copies of all weight tickets will be collected daily by a SWMD courier and delivered to the SWMD administration building for processing;
- SWMD administrative staff will consolidate weight tickets by customer and prepare a customer invoice in the same manner currently being used; and
- A copy of each weight ticket will be sent with each invoice to the customer.

Recommendations

Additional measures could be taken to strengthen the controls by having the spotters record the pass information in order to track the number of vehicles and to reconcile with the number of passes issued. It is also recommended the passes be recorded when given to the roll-off drivers. If management finds this too burdensome to do on a regular basis, it is recommended that it be done randomly throughout the year.

Finding #8.

Commercial haulers' payments are applied to current month's billings

Commercial haulers' payments are applied to the current month's billing and not to outstanding balances. According to a DMR programmer, collections on commercial accounts are applied only to current charges. This is evidenced by fact that there has not been any significant change in the outstanding balances for commercial haulers. As shown in the table below, the balances for the commercial haulers as a group have not changed significantly. When applied to current charges, the rate of collections on commercial accounts appears to be very high but the collection rate is low when applied to outstanding balances.

Review of Commercial Accounts From October 08 Through March 09							
<u>Commercial Customer</u>	<u>Beginning Balance at 10/1/08 and charges through 3/31/09</u>	<u>Payments and Credits</u>	<u>Outstanding Balance at 3/31/09</u>	<u>Avg monthly Charge</u>	<u>Months Past Due</u>	<u>Percent of collections on Total Outstanding</u>	
MR RUBBISHMAN	\$ 1,559,756	\$ (966,220)	\$ 593,536	\$ 89,057	7	62%	
TRASHCO	\$ 354,966	\$ (59,650)	\$ 295,316	\$ 8,476	35	17%	
LAGU SANITATION COMP	\$ 271,540	\$ (149,655)	\$ 121,885	\$ 25,040	5	55%	
PACIFIC WASTE SYSTEMS,	\$ 697,658	\$ (420,980)	\$ 276,678	\$ 68,088	4	60%	
ISLAND WASTE MANAGEM	\$ 21,280	\$ (13,800)	\$ 7,480	\$ 2,633	3	65%	
Total Avg Comm billing per month				\$ 193,294			

Recommendations

SWMD should make every effort to collect on the outstanding balances on the commercial accounts. SWMD should develop and enforce a policy to address the outstanding balances on the commercial accounts. As with long outstanding balances on the residential accounts, it is recommended that old, uncollectible accounts be written off. However, consideration should be given to conducting a special audit of the outstanding commercial account balances prior to writing them off. The scope of such review will be to determine the reliability of the amounts reported by commercial haulers as collections on commercial accounts compared to amounts paid by the commercial haulers to SWMD.

Finding #9.**Noted challenges using the GovGuam accounting system by SWMD management**

Access to GovGuam accounting reporting modules is restricted to select individuals. As a result, SWMD management is dependent on DOA and DMR staff for management reports that are critical to effective oversight of SWMD operations. The management report we reviewed lacked information in sufficient detail to allow for a meaningful analysis of the data. In addition, late processing and data entry errors impact the timeliness and utility of the reports.

In addition to the issues with the GovGuam accounting system, tests revealed an error in the SWMD Internal Revenues and Expenses summary report prepared by the management analyst. The reported revenues should be the sum of cash collections from the Transfer Stations and the Ordot Dump plus net billings instead of cash collections from all customers, as reported.

Also the collection rate may not be accurate because it compares the current month's collections with billings of the current month's collections without applying the collections to the applicable billing month.

Recommendations

SWMD management should take the necessary steps to gain access to management reports in a timely manner. In the long run, SWMD should investigate the possibility of an independent accounting system that would enable SWMD to gain timely access to up-to-date information without relying on others.

SWMD should set up a process to seek outside assistance in reviewing internal management reports prior to submitting such reports to management.

Finding #10.**Weaknesses noted in the internal controls of the SWMD operations.**

In addition to the receipt of payments in Customer Service, we noted a few minor control weaknesses that should be addressed:

1. The staff member that serves as the auditor, who reviews and "audits" adjustments to the customer accounts, reports to the manager of the Administration section. In other words the "auditor position" does not appear to be independent.
2. We randomly selected and tested a sample of disbursements. All of the items tested were well documented and adequately supported. We noted, however, that the invoices and supporting documentation were not cancelled or noted after payment in a manner to avoid duplicate payments.
3. We noted that although Customer Service staff log in the checks received at the office in the mail, there is no apparent follow up with the log.

Recommendations

1. The staff member noted as the auditor should be independent of the administration and report directly to the office manager.
2. All invoices should be cancelled after payment.
3. Customer Service staff should log off or lock the computers when away from their desks for extended time.

Finding #11.

Controls over fuel purchases need improvement

Control over fuel purchases by the SWMD collection truck drivers should be strengthened. The following were noted:

1. Some drivers have failed to turn in receipts for fuel purchases.
2. Not all drivers have fuel cards; drivers issued fuel cards made purchases for the vehicles of drivers that did not have cards.
3. The Fuel purchase logs were maintained by drivers and not by vehicles. In instances that drivers purchased fuel for vehicles driven by other drivers that did not have fuel cards, all of the purchases were recorded in a single log.
4. It appears the fuel records and receipts were not closely tracked and reviewed as necessary.

Recommendations

1. The SWMD should provide training to drivers regarding the importance of retaining supporting documentation for fuel purchases.
2. Drivers should have support for ALL fuel purchases.
3. All drivers should be issued fuel cards, if possible.
4. In the interim, drivers who purchase fuel for others should maintain a separate log for each vehicle. Logs should be maintained by vehicle.
5. SWMD management should periodically review fuel purchases for reasonableness.

Other Issues

As a part of the review, we were to address the following additional issues:

Review and document interaction between the Tipping Fee System and the GovGuam Accounting System.

It was determined early into the project that the DOA Accounting System and Tipping Fee Systems are proprietary applications developed by DMR. Despite our thoughts on the look and feel of the programs, DMR programmer Joe Naputi insisted the application is proprietary; therefore, it was not possible for us to review further. While conferring with Mr. Naputi, he reviewed the Request for Proposal for the new customer service system online.

Assess the relationship of the new customer service system with existing systems

One of the critical requirements of new customer system called for in the Request for Proposal is different from the structure of the database relationship in the current tipping fee system. The current system is a simple one-to-one customer account records relationship. That is, there are as many accounts as there are customers. Information on customers with multiple accounts in the current system is repeated for each account.

The Request for Proposal for the new customer service system calls for a one-to-many customer to accounts relationship; therefore, customer information will be entered only once but the customer can have multiple accounts associated with his single customer record.

The change in the requirements from a one-to-one relationship—unique customer to one account—to one-to-many accounts will require some programming changes to the Tipping Fee System according to Mr. Naputi. Due to the proprietary nature of the tipping fee system application, DMR will have to make the updates to accommodate the change. Mr. Naputi expressed the DMR's ability and willingness to work with the bid winner to make the necessary changes in reasonable time.