My political opponent Atty. Leevin Camacho recklessly released today information that was factually wrong and misleading about both me and my Child Support ("CS") staff’s performance pertaining to CS during my tenure as Guam’s First Elected Attorney General (2003 – 2006).

The audit that Leevin released hoping to sway voters did not indicate our response or include important information about the undistributed funds ("UDF") problem that existed before I was elected. My Division IV-D Administrator / Child Support Enforcement Division Deputy and I:

1. **Uncovered the lack of reconciliation between the CSED and DOA UDF accounts, started the reconciliation and created an effective “reaction plan” to begin the process of fixing the unaccounted for CS funds that were in the Department of Administration’s ("DOA’s") accounts since the 1990s (DOA had theretofore administered CS program w/ AG’s Office information provided to them);

2. We developed and started the **electronic funds transfer ("EFT")** program for CS monies to get payments immediately & directly to custodial parents through the "Kids First Card" (KFC) using the debit card format; the EFT was bid out and Bank of Guam awarded the contract for this EFT system; the card was designed to stop the govt. from holding onto the child support monies and reduce the undistributed CS monies problem by putting CS deposits directly into the KFC.

Candidate Camacho disingenuously states that undistributed child support collections increased $1M during my tenure. The problem was one of **reconciliation** of the amounts of UDF appearing on the AG’s CSED’s in-house APASI computer system, and the amounts of UDF appearing on the DOA’s AS-400 computer system. **It was not that we “dragged our feet” and allowed more money to accrue as my political opponent would have the voters believe.** The amounts of UDF appearing on the APASI system actually decreased during my time (see below). This problem of **reconciliation** continues to this day, but has seen considerable improvement (see below), especially with the implementation of our KFC card.

The Office of Accountability Report that my political opponent cites accusing me and our staff of incompetence is Report No. 06-19, December 2006. The relevant language of the Executive Summary of that Report states:
"In September 2005, the Department of Administration (DOA) reported undistributed collections of $6.5 million (M), the APASI system reported $2.5M, and the child support bank account had a balance of $2.8M. No reconciliations of these accounts were performed during the scope period of our review. These three sets of records should reconcile to the same amounts. DOA’s AS400 reported that undistributed child support collections increased from $5.5M in FY 2003 to $6.5M in FY 2005, while OAG’s APASI system reported that the amount decreased from $5.4M in FY 2003 to $2.5M in FY 2005. The reduction of approximately $3M in the APASI system was due to a write-off by OAG, which was not communicated to DOA."


The problem of lack of reconciliation is one that continues to this day, but improved considerably after we implemented the foregoing programs. The total amount of UDFs, however, has doubled since I left, from $2.5 M to over $5M.

The following appeared in the Executive Summary of OPA Report No. 16-03, April 2016:

“Our follow up audit of the Child Support Enforcement Program found that:
• The Department of Administration (DOA) and the Child Support Enforcement Division (CSED) have made significant improvements in reconciling the child support bank account, DOA AS400 balances, and CSED balances.
• Guam’s total Undistributed Collections (UDC) have not changed significantly in the last five years because Guam law does not clearly specify how to escheat long outstanding UDCs.
• Implementation of mitigating controls have helped to some extent ensure child support transactions are received and distributed timely to custodial parents; however, the Absent Parent Automated System Information (APASI) needs to be upgraded.”

Notably, financial analysts in the child support community often divide the reasons into resolved and unresolved undistributed collections.

The reasons for resolved UDF include the agency receiving collections within the past two days, tax offsets withheld up to six months, and future payments. The agency delays distribution, with plans to distribute the collections soon.

The reasons for unresolved UDF are very different. These include unidentified collections and child support payments with inaccurate or missing information. There is reasonable probability that the agency will never distribute unresolved UDF to families. Other reasons for UDF include:

- CP (custodial parent) moved or changed address and didn’t inform CSE
- NCP (non-custodial parent) makes a payment but the case has no Order entered on APASI
- NCP makes payment after case is closed

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• checks returned due to CP unlocatable
• when a case is being contested, payments are placed on hold until case is resolved, for example, custody changed to NCP or third party and we need to confirm, therefore payments are placed on hold until custody is resolved
• when tax refund is intercepted, there is a waiting period to give NCP an opportunity to contest, therefore tax refund is held in abeyance until such time as the waiting period expires and NCP does not contest

A majority of Guam’s UDF goes back to the 90’s when the CS system was still issuing paper checks. Many of those checks got returned due to bad address or CP moved without notice.

The "Kids First Card" was part of our "Love Your Kids" Program that my CSED staff and I implemented to: (1) increase the amounts in collection of CS, (2) reduce the taxpayer's burden of having to pay welfare for children who were entitled to CS but not receiving it, and (3) re-focus the program from "dollars & cents" to encouraging parents to care for their children and provide to them as much financial resources in order for their kids to succeed. During my term in office we were successful in achieving the above 3 goals. Eric the Eagle was created for the children to help both them and their parents cope with the difficulties associated with CS (oftentimes children are victims of the parents' CS & domestic battles).

Finally, my Office did not respond to the Office Public Accountability report referenced by Leevin in 2006 because it was issued by the OPA at the very end of my first term. Leevin, by citing an unresponded-to audit, demonstrates his ignorance of what actually occurred. In summary, Leevin released a single audit that failed to accurately describe my role in fixing an already flawed CS collections system. This attempt reflects his lack of knowledge and experience pertaining not just to understanding the problem, but providing any real solutions, like we did before I left office. I expect to finally resolve the still remaining amounts in DOA’s CS accounts if elected. Leevin provides no substantive solutions on how he expects to fix this problem which has persisted in the 3 AGs who followed my first term.

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