Department of Finance

Vision
Driving practical, cost-effective and quality outcomes across government to benefit the people of the Commonwealth of the Northern Mariana Islands.

Mission Statement
To continue to seek out new and innovative ways to effectively administer the financial needs and requirements of the CNMI government:
1. Collect, deposit, disburse, manage, and account for public funds in accordance with CNMI Statutes.
2. Enforce CNMI Tax Laws, other applicable laws, and customs regulations by encouraging voluntary compliance or, as needed, by enforcement.
3. Exercise general supervision and accountability of government assets, and provide resources needed by the accomplishment of their mission.

Responsibilities

Office of the Secretary
David DLG. Atalig
Secretary of Finance

CNMI Treasury
Asuncion Agulto
Treasurer

Finance and Accounting
Bernadita C. Palacios
Director

Procurement
Francisco Aguon
Acting Deputy Director

Revenue and Taxation
Tracy Norita
Director

Customs
Jose Mafnas
Director

Passport Office

Electronic Data Processing
Frank Celis
Director
Division of Revenue and Taxation,

Enforcement Section conducted 237 inspections in 2019. Enforcement Agents issued 30 notices of violations, and three cease and desist orders.

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Notice of Violation</td>
<td>20</td>
<td>30</td>
</tr>
<tr>
<td>Cease &amp; Desist Order</td>
<td>8</td>
<td>3</td>
</tr>
<tr>
<td>Inspection</td>
<td>1195</td>
<td>237</td>
</tr>
<tr>
<td>Non-Compliance %</td>
<td>2%</td>
<td>14%</td>
</tr>
</tbody>
</table>

Division of Procurement and Supply processed the following contracts:

- Change Orders: 83
- Sole Source: 41
- ITB.IFB: 87
- RFP/RFQ: 29
- Expedite: 3
- Emergency: 8

Division of Electronic Data Processing implemented an e-mail server, change control system (CCS), domain server, and helpdesk application.

Division of Customs Services seized contraband items such as controlled substances and counterfeit items.

<table>
<thead>
<tr>
<th>Controlled Substances</th>
<th>Counterfeit Goods</th>
</tr>
</thead>
<tbody>
<tr>
<td>Crystals Meth</td>
<td>Footwear</td>
</tr>
<tr>
<td>Marijuana</td>
<td>Purses, Bags, Wallet</td>
</tr>
<tr>
<td>Marijuana Seeds</td>
<td></td>
</tr>
<tr>
<td>THC Oil</td>
<td></td>
</tr>
<tr>
<td>TCH Vapor Pens</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td></td>
</tr>
<tr>
<td>1.1 grams</td>
<td>608 items</td>
</tr>
<tr>
<td>1049.5 grams</td>
<td>51 items</td>
</tr>
<tr>
<td>169 pieces</td>
<td></td>
</tr>
<tr>
<td>65 pieces</td>
<td></td>
</tr>
<tr>
<td>52 pieces</td>
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</tr>
</tbody>
</table>
What did we spend?

FINANCIALS

FY 2019 Financial Performance

Budget vs. Actual Expenses

<table>
<thead>
<tr>
<th>Personnel</th>
<th>Function</th>
<th>Department</th>
<th>Employees</th>
</tr>
</thead>
<tbody>
<tr>
<td>DRT/Customs Enforcement</td>
<td>Revenue Enforcement</td>
<td>81</td>
<td></td>
</tr>
<tr>
<td>Revenue and Taxation</td>
<td>Revenue Enforcement</td>
<td>29</td>
<td></td>
</tr>
<tr>
<td>Customs</td>
<td>Revenue Enforcement</td>
<td>81</td>
<td></td>
</tr>
<tr>
<td>Treasury</td>
<td>Financial Management</td>
<td>8</td>
<td></td>
</tr>
<tr>
<td>Finance and Accounting</td>
<td>Financial Management</td>
<td>22</td>
<td></td>
</tr>
<tr>
<td>Procurement</td>
<td>Financial Management</td>
<td>10</td>
<td></td>
</tr>
<tr>
<td>Electronic Data Processing</td>
<td>Technology and Special Projects</td>
<td>9</td>
<td></td>
</tr>
<tr>
<td>Passport</td>
<td>Technology and Special Projects</td>
<td>4</td>
<td></td>
</tr>
<tr>
<td>Office of the Secretary</td>
<td>Technology and Special Projects</td>
<td>7</td>
<td></td>
</tr>
</tbody>
</table>
LOOKING AHEAD

Challenges and Opportunities:

Upgrade Financial System
We firmly believe that up-to-date financial information is an important factor in every decision making process. As the CNMI has evolved to more complex financial needs, our technology must also change to keep up with the demands for better financial information. In November 2019, the Department of Finance will issue a Request for Proposals to improve our data collections and financial management system. This is a long-term project and requires financial resources and inter-agency cooperation. The benefits to this 2-year project are improvements in the timeliness of reports, faster approval processing of procurement documents, improved wait-times of vendor payments, and other public services.

Federal Reimbursements
Months after Super Typhoon Yutu devastated the Commonwealth, persons and businesses are have been patiently waiting to get paid towards the response and recovery efforts. The Department of Finance continues to work with FEMA and the Public Assistance Office to expedite these much needed financial resources.

Revenue Enforcement and Other Financing
Super-typhoon Yutu had a detrimental effect on the CNMI's tourism sector and the underdeveloped Gaming industry. The Department of Finance continues to seek ways to enforce the regulations on our revenues, such as Hotel Occupancy Taxes and Excise Taxes, to provide a fair and just environment for all businesses in the CNMI. Furthermore, we are partnering with Commonwealth Development Authority to pay for Settlement Fund Obligations to assist with recovery and deficit reduction.

Desk Audit
For FY 2019, the Secretary of Finance decided to conduct a desk audit to better account for personnel and their placement in the Department. With this, we can locate where help is much more needed and institute training for the Department’s staff. We look to collaborate with Graduate School USA to provide technical assistance for our staff's professional development.

Contact Us:

Office of the Secretary
664-1100

Finance and Accounting
322-1201/1202/1203

CNMI Treasury
664-1300

Procurement and Supply
664-1500

Revenue and Taxation
664-1000

Customs Services
664-1601

Electronic Data Processing
322-1419

Passport Office
664-4760

Federal Reimbursements

Revenue Enforcement and Other Financing

Desk Audit