

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

DISTRICT COURT OF GUAM
TERRITORY OF GUAM

UNITED STATES OF AMERICA

Plaintiff,

vs.

GOVERNMENT OF GUAM,

Defendant.

Civil Case No. 02-00022

ORDER RE: PROPOSED ORDERS

Pursuant to the court’s March 24, 2009 Order, the Government of Guam (the “Government”) submitted proposed orders concerning (1) Additional Disbursement Procedure for Citibank Trust Account and (2) the Accounting and Auditing for the \$2.85 Million Deposited with the Court. *See* Docket No. 392. The court has reviewed these proposed orders and adopts neither one of them.

The first order contains proposed language making the Director of the Department of Administration (“DOA”) a signatory on the Citibank Trust Account. The court finds this matter moot. The procedures adopted by this court on March 10, 2009 provide DOA the full opportunity to review all disbursements and to raise any objections it may have with GBB, thus DOA need not be a signatory to the account. Moreover, when the court adopted these procedures, the Government never filed an objection. *See* Docket No. 376.

As to the second order submitted, the Government proposed language requiring the

1 expenses of the Receiver, Gershman, Brickner & Bratton, Inc. (“GBB”) be governed by the
2 rules and regulations as set forth in the Federal Judicial Guidelines. The Government also
3 suggested the court order there be no reimbursement for the purchase of alcoholic beverages
4 and that the Government’s travel requirements apply to GBB.¹

5 Because this is a federal case, the engagement letter appointing GBB as the Receiver,
6 already provides for the Federal Judicial Guidelines, as applicable, to govern the
7 reimbursement of expenses.² See Docket No. 246. For more than a year, the court has applied
8 these guidelines and the Government has never filed an objection concerning any of the
9 expenses thus far reimbursed. The court sees no reason to revisit how GBB is reimbursed for
10 its expenses (including its travel costs³). Thus, the adoption of the proposed second order is
11 denied.⁴

12 **SO ORDERED.**



13 /s/ Frances M. Tydingco-Gatewood
14 **Chief Judge**
15 **Dated: Apr 02, 2009**

16 _____
17 ¹ To the court’s knowledge, there has never been reimbursement for any alcoholic
18 beverage – that will not change.

19 ² Specifically, the court uses the Administrative Manual, Volume 1 (and all
20 incorporations by memorandum), Chapter VI - Travel and Transportation, Part C: Regulations
21 Applicable to Officers and Employees of the Judiciary (except Justices and Judges).

22 ³ GBB’s travel expenses are only being reimbursed for travel pertaining to official
23 business. To the extent possible, the most direct flights are flown.

24 ⁴ The Government’s proposed order also contained language concerning a request for
25 the Inspector General for the Federal Judiciary to perform an immediate audit of payments thus
26 far made to the Receiver. There is no Inspector General for the Judiciary. Proposed legislation
27 creating this position was introduced on January 13, 2009 – it has not yet been enacted into
28 law. See Judicial Transparency and Ethics Enhancement Act of 2009, S. 220, 111th Cong.
(introduced and referred to Comm. on the Judiciary on Jan. 13, 2009); Judicial Transparency
and Ethics Enhancement Act of 2009, H.R. 486, 111th Cong. (introduced Jan. 13, 2009,
referred to Subcomm. on Courts, the Internet and Intellectual Property on Feb. 9, 2009). The
court notes that it performs thorough audits of GBB’s invoices and has made all invoices part
of the public record and available to the Public Auditor for review.