

Management Letter

Guam Educational Telecommunications Corporation
(A Component Unit of the Government of Guam)

Year Ended September 30, 2023





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The Board of Trustees
Guam Educational Telecommunications Corporation
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In planning and performing our audit of the financial statements of Guam Educational Telecommunications Corporation (PBS Guam) as of and for the year ended September 30, 2023, in accordance with auditing standards generally accepted in the United States and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, we considered its internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, we do not express an opinion on the effectiveness of the Company's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

During our audit, we noted the following deficiency in internal control (as described above).

Deficiency

Unrecorded Prior Year Adjustments

Observation

We noted that PBS Guam did not record all audit adjusting entries arising from the prior year audits. This caused a material difference in the reconciliation of PBS Guam's beginning net position.

Recommendation

We recommend that PBS Guam continue to address adjusting entries that arise from the audit and ensure that those adjustments are properly accumulated and recorded.

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This communication is intended solely for the information and use of management, the board of directors and others within the organization and is not intended to be and should not be used by anyone other than these specified parties.

We would like to thank Ms. Ina Carillo, Ms. Lorraine Hernandez, and the rest of the accounting department, human resources, operations and executive staff for their cooperation extended to us during the course of our audit. We would be pleased to discuss the above matters or to respond to any questions, at your convenience.

Ernst + Young LLP

June 3, 2024