

Management Letter

Guam Community College

Year ended September 30, 2025



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June 9, 2026

Management and the Board of Trustees
Guam Community College

In planning and performing our audit of the financial statements of the Guam Community College (the College) as of and for the year ended September 30, 2025, 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 College's internal control. Accordingly, we do not express an opinion on the effectiveness of the College'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 deficiencies in internal control (as described above):

Data Accuracy – Other Postemployment Benefits (OPEB) & Compensated Absences

Condition:

The College's census data submitted for valuation of OPEB and the schedule supporting its calculation of compensated absences contain employee hire dates that did not reconcile against employee's personnel action files. Accurate employee data is important to ensure that the liability calculations are complete and accurate.

Recommendation:

Management shall review and reconcile employee information prior to submission to ensure consistency between source records and supporting schedules.

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This communication is intended solely for the information and use of management and the Board of Trustees of the College, others within the organization and the Guam Office of Public Accountability, and is not intended to be and should not be used by anyone other than these specified parties.

We would be pleased to discuss the above matters or to respond to any questions, at your convenience.

Ernst + Young LLP