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May 29, 2013

To The Board of Commissioners
Guam Housing and Urban Renewal Authority:

I have performed an audit the financial statements of the net assets, expenses and changes in net assets and cash flows of each major fund, and the aggregate remaining fund information of Guam Housing and Urban Renewal Authority (the Authority), a component unit of the Government of Guam as of and for the year ended September 30, 2012 for the year ended, which collectively comprise GHURA's basic financial statements in accordance with auditing standards generally accepted in the United States of America and those standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States and have issued my report thereon dated May 29, 2013.

REQUIRED COMMUNICATIONS

Statement on Auditing Standards No. 114, *The Auditor's Communication With Those Charged With Governance*, and other professional standards require the auditor to provide the Board of Commissioners (the Board or those charged with governance) with additional information regarding the scope and results of the audit that may assist the Board (or those charged with governance) in overseeing the financial reporting and disclosure processes which the management of the Authority is responsible.

I have prepared the following comments to assist you in fulfilling your obligation to oversee the financial reporting and disclosure processes for which management of the Authority is responsible

Auditor's Responsibilities under Auditing Standards Generally Accepted in the United States of America and Government Auditing Standards

My responsibility under generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Controller General of the United States, have been described in my engagement letter dated November 19, 2012. As described that letter, the objective of a financial statement audit conducted in accordance with the aforementioned standards is:

- To express an opinion on the fairness of the Authority's financial statements and the supplementary information for the year ended September 30, 2012 in conformity with accounting principles generally accepted in the United States of America (generally accepted accounting principles), in all material respects;

- To express an opinion on whether the supplementary information that accompanies the basic financial statements is presented fairly, in all material respects, in relation to the basic financial statements taken as a whole;
- To report on the Authority's internal control over financial reporting on its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters for the year ended September 30, 2012 based on an audit of the financial statements performed in accordance with the standards applicable to financial audits contained in *Government Auditing Standards*; and
- To report the Authority's compliance with requirements applicable to each major federal program and on internal control over compliance in accordance with the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* (OMB Circular A-133).

My responsibilities under generally accepted auditing standards include forming and expressing an opinion about whether the financial statements have been prepared by management with oversight by the Board of Commissioners are presented fairly, in all material respects, in conformity with generally accepted accounting principles. The audit of the financial statements does not relieve management or the Board of Commissioners of their responsibilities.

I considered the Authority's internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control over financial reporting. Accordingly, I do not express an opinion on the effectiveness of the Authority's internal control over financial reporting. My consideration of internal control over financial reporting would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses.

I also considered the Authority's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine my auditing procedures for the purpose of expressing my opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133. My audit does not, however, provide a legal determination of the Authority's compliance with those requirements.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by GHURA are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the year ended September 30, 2012. I noted no transactions entered into by the Authority during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected.

Significant Difficulties Encountered During the Audit

I encountered no significant difficulties in dealing with management in performing my audit. All Authority personnel cooperated with me fully during the conduct of my audit.

Uncorrected and Corrected Misstatements

Professional standards require me to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to each opinion unit's financial statements taken as a whole. (See Appendix B)

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to my satisfaction, that could be significant to the financial statements or the auditor's report. I am pleased to report that no such disagreements arose during the course of my audit.

Management Representations

I have requested certain written representations from management that are included in the attached management representation letter dated May 29, 2013 (See Appendix A).

Management's Consultations with Other Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Authority's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, my professional standards require the consulting accountant to check with me to determine that the consultant has all the relevant facts. To my knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

I generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Authority's auditors. However, these discussions occurred in the normal course of my professional relationship and my responses were not a condition to my retention.

Other Information in Documents Containing Audited Financial Statements

I have reviewed the Management Discussion and Analysis and other supplementary schedules to the financial statements to ensure consistency with the audited financial statements. With respect to the supplementary information accompanying the financial statements, I made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to my audit of the financial statements. I compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

Independence

I am not aware of any relationships between J. Scott Magliari & Company and the Authority, or any other matters that in my professional judgment, may reasonably be thought to bear on my independence.

I confirm that we are independent with respect to the Authority within the meaning of the applicable published rules and pronouncements, its interpretations and rulings.

Control Related Matters

I have issued a separate report to you, dated May 29, 2013, on the Authority's internal control over financial reporting and on its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters which was based upon the audit performed in accordance with *Government Auditing Standards*. I have also issued a separate report to you, also dated May 29, 2013, involving the Authority's compliance with requirements applicable to each major federal program and on internal control over compliance in accordance with OMB Circular A-133.

I have communicated to management, in a separate letter also dated May 29, 2013, certain deficiencies and other matters related to the Authority's internal control over financial reporting and to the Authority's internal control over its financial management system that I identified during my audit.

Although I have included management's written responses to my comments contained in the reports, such responses have not been subjected to the auditing procedures applied in my audit of the basic financial statements and, accordingly, I do not express an opinion or provide any form of assurance on the appropriateness of the responses or the effectiveness of any corrective actions described therein.

This information is intended solely for the information and use of the Board of Commissioners, management of the Guam Housing and Urban Renewal Authority and the Office Public Accountability – Guam and is not intended to be and should not be used by anyone other than these specified parties. However, this report is also a matter of public record.

We would be happy to discuss the contents of this report and answer any questions you may have about these or any other audit related matters. We also wish to thank the staff and management of the Authority for their assistance and cooperation during the course of this engagement.

Very truly yours,

A handwritten signature in black ink that reads "J. Scott Magliari & Company". The signature is written in a cursive, flowing style.



GHURA

Guam Housing and Urban Renewal Authority
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May 29, 2013

Eddie Baza Calvo
Governor of Guam

Ray Tenorio
Lt. Governor of Guam

David J. Sablan
Chairman

Vice Chairman

Rosie Ann Blas
Member

Luis L.G. Paulino
Member

Roland M. Selvidge
Resident Member

Cecile B. Suda
Member

Deanne S.N. Torre
Member

Michael J. Duenas
Executive Director

Frank J.C. Camacho
Deputy Director

J. Scott Magliari & Company
P.O. Box 12734
Tamuning, Guam 96931

We are providing this letter in connection with your audit of the statements of net assets of Guam Housing and Urban Renewal Authority as of September 30, 2012, and the related statements of revenues, expenses and changes in net assets and cash flows for the year then ended which collectively comprise the basis financial statements for the purpose of expressing an opinion as to whether the financial statements present fairly, in all material respects, the financial position, results of operations or changes in net assets, and cash flows of the Authority in conformity with accounting principles generally accepted in the United States of America. We confirm that we are responsible for the fair presentation of the previously mentioned financial statements in conformity with accounting principles generally accepted in the United States of America. We are also responsible for adopting sound accounting policies, establishing and maintaining effective internal control, and preventing and detecting fraud.

Certain representations in this letter are described as being limited to matters that are material. (*Items in No. 23 are considered material based on the materiality criteria specified in OMB Circular A-133.*) Items are considered material if they involve an omission or misstatement of accounting information that, in light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement. An omission or misstatement that is monetarily small in amount could be considered material as a result of qualitative factors.

We confirm, to the best of our knowledge and belief as of May 29, 2013, the following representations made to you during your audit(s).

- 1) The financial statements referred to above are fairly presented in conformity with U.S. generally accepted accounting principles and include all assets and liabilities under the Authority's control.
- 2) We have made available to you all—
 - a) Financial records and related data and all audit or relevant monitoring reports, if any, received from funding sources.
 - b) Minutes of meetings of Board of Commissioners, or summaries of actions of recent meetings for which minutes have not yet been prepared.



- 3) There have been no communications from HUD or other regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices other than what has been disclosed to you.
- 4) There are no material transactions that have not been properly recorded in the accounting records underlying the financial statements or the schedule of expenditures of federal awards.
- 5) We believe the effects of the uncorrected financial statement misstatements summarized in the attached schedule are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.
- 6) We acknowledge our responsibility for the design and implementation of programs and controls to prevent and detect fraud.
- 7) We have no knowledge of any fraud or suspected fraud affecting the entity involving—
 - a) Management,
 - b) Employees who have significant roles in internal control, or
 - c) Others where the fraud could have a material effect on the financial statements.
- 8) We have no knowledge of any allegations of fraud or suspected fraud affecting the entity received in communications from employees, former employees, grantors, regulators, or others.
- 9) We have taken timely and appropriate steps to remedy fraud, illegal acts, violations of provisions of contracts or grant agreements, or abuse that you have reported to us.
- 10) We have a process to track the status of audit findings and recommendations.
- 11) We have identified to you any previous audits, attestation engagements, and other studies related to the audit objectives and whether the related recommendations have been implemented.
- 12) We have provided our views on reported findings, conclusions, and recommendations, as well as our planned corrective actions, for the report.
- 13) The entity has no plans or intentions that may materially affect the carrying value or classification of assets, liabilities, or net asset balances.
- 14) Receivables recorded in the financial statements represent valid claims against tenants or other parties arising on or before the statement of financial position date and have been appropriately reduced to their estimated net realizable value.
- 15) The following, if any, have been properly recorded or disclosed in the financial statements:
 - a) Related party transactions and related accounts receivable or payable, including revenues, expenses, loans, transfers, leasing arrangements, and guarantees.
 - b) Arrangements with financial institutions involving compensating balances or other arrangements involving restrictions on cash balances and line-of-credit or similar arrangements.
 - c) Arrangements to repurchase assets previously sold.



- d) Guarantees, whether written or oral, under which the Authority is contingently liable.
 - e) Significant estimates and material concentrations known to management that are required to be disclosed in accordance with *FASB Accounting Standards Codification 275 Risks and Uncertainties*.
-
- 16) We are responsible for compliance with the laws, regulations, and provisions of contracts and grant agreements applicable to us; and we have identified and disclosed to you all laws, regulations and provisions of contracts and grant agreements that we believe have a direct and material effect on the determination of financial statement amounts or other financial data significant to the audit objectives.
 - 17) The Authority is an exempt organization under Internal Revenue Code Section 115. Any activities of which we are aware that would jeopardize the entity's tax-exempt status, and all activities subject to tax on unrelated business income or excise or other tax, have been disclosed to you. All required filings with tax authorities are up-to-date.
 - 18) Except as made known to you, we have no knowledge of—
 - a) Violations or possible violations of laws or regulations and provisions of contracts and grant agreements whose effects should be considered for disclosure in the financial statements or as a basis for recording a loss contingency, or for reporting on noncompliance.
 - b) Unasserted claims or assessments that our lawyer has advised us are probable of assertion and must be disclosed in accordance with *FASB Accounting Standards Codification 450, Contingencies*.
 - c) Other liabilities or gain or loss contingencies that are required to be accrued or disclosed by *FASB Accounting Standards Codification 450, Contingencies*.
 - d) Designations of net assets disclosed to you that were not properly authorized and approved, or reclassifications of net assets that have not been properly reflected in the financial statements.
 - 19) The Authority has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset been pledged as collateral.
 - 20) We have complied with all restrictions on resources (including donor restrictions) and all aspects of contractual and grant agreements that would have a material effect on the financial statements in the event of noncompliance. This includes complying with donor requirements to maintain a specific asset composition necessary to satisfy their restrictions.
 - 21) As part of your audit, you assisted with preparation of the financial statements and related notes, supplementary information, and the schedule of expenditures of federal awards. We have designated an individual with suitable skill, knowledge, or experience to oversee your services and have made all management decisions and performed all management functions. We have reviewed, approved, and accepted responsibility for those financial statements and related notes, supplementary information, and the schedule of expenditures of federal awards.
 - 22) With respect to the supplementary information accompanying the basic financial statements required by HUD's *Uniform Financial Reporting Standards for HUD Housing Programs* and the information submitted to HUD through the FASS submission templates:



- a) We acknowledge our responsibility for presenting the supplementary information accompanying the basic financial statements required by HUD and the information submitted to HUD through the FASS submission templates (collectively, the supplementary information required by HUD) in accordance with HUD's *Uniform Financial Reporting Standards for HUD Housing Programs*, and we believe the ~~supplementary information required by HUD, including its form and content, is fairly presented in~~ accordance with HUD's *Uniform Financial Reporting Standards for HUD Housing Programs*. The methods of measurement and presentation of the supplementary information required by HUD have not changed from those used in the prior period, and we have disclosed to you any significant assumptions or interpretations underlying the measurement and presentation of the supplementary information required by HUD.
- b) If the supplementary information required by HUD is not presented with the audited financial statements, we will make the audited financial statements readily available to the intended users of the supplementary information no later than the date we issue the supplementary information and the auditor's report thereon.
- c) With respect to the schedule of expenditures and federal awards, the schedule of salaries, wages and benefits and the comparative financial supplementary information on which an in-relation-to opinion is issued:
- i. We acknowledge our responsibility for presenting schedule of expenditures and federal awards, the schedule of salaries, wages and benefits and the comparative financial supplementary information in accordance with accounting principles generally accepted in the United States of America, and we believe the schedule of expenditures and federal awards, the schedule of salaries, wages and benefits and the comparative financial supplementary information, including its form and content, is fairly presented in accordance with accounting principles generally accepted in the United States of America. The methods of measurement and presentation of the schedule of expenditures and federal awards, the schedule of salaries, wages and benefits and the comparative financial supplementary information have not changed from those used in the prior period, and we have disclosed to you any significant assumptions or interpretations underlying the measurement and presentation of the supplementary information. If the is supplementary information not presented with the audited financial statements, we will make the audited financial statements readily available to the intended users of the supplementary information no later than the date we issue the supplementary information and the auditor's report thereon.
- 23) With respect to federal award programs:
- a) We are responsible for understanding and complying and have complied with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, including requirements relating to preparation of the schedule of expenditures of federal awards.
- b) We have prepared the schedule of expenditures of federal awards, in accordance with OMB Circular A-133, and have identified and disclosed in the schedule expenditures made during the audit period for all awards provided by federal agencies in the form of grants, rent subsidies, federal cost-reimbursement contracts, loans, loan guarantees, capital advances, property (including donated surplus property), cooperative agreements, interest subsidies, insurance, food commodities, direct appropriations, and other assistance.



- c) We acknowledge and understand our responsibility for presenting the schedule of expenditures of federal awards (SEFA) in accordance with the requirements of OMB Circular A-133 §310.b, and we believe the SEFA, including its form and content, is fairly presented in accordance with the Circular. The methods of measurement and presentation of the SEFA have not changed from those used in the prior period, and we have disclosed to you any significant assumptions and interpretations underlying the measurement and presentation of the SEFA.
- d) If the SEFA is not presented with the audited financial statements, we will make the audited financial statements readily available to the intended users of the SEFA no later than the date we issue the SEFA and the auditor's report thereon.
- e) We have identified and disclosed to you all of our government programs and related activities subject to OMB Circular A-133.
- f) We are responsible for understanding and complying with, and have complied with the requirements of laws, regulations, and the provisions of contracts and grant agreements related to each of our federal programs and have identified and disclosed to you the requirements of laws, regulations, and the provisions of contracts and grant agreements that are considered to have a direct and material effect on each major program.
- g) We are responsible for establishing and maintaining, and have established and maintained, effective control over financial reporting and internal control over compliance requirements applicable to federal programs that provide reasonable assurance that we are managing our federal awards in compliance with laws, regulations, and the provisions of contracts and grant agreements that could have a material effect on our federal programs. We believe the internal control system is adequate and is functioning as intended.
- h) We have made available to you all contracts and grant agreements (including amendments, if any) and any other correspondence with federal agencies or pass-through entities relevant to federal programs and related activities.
- i) Except for the Supportive Housing for the Elderly program, we have received no requests from a federal agency to audit one or more specific programs as a major program.
- j) We have complied with the direct and material compliance requirements (except for noncompliance disclosed to you), including when applicable, those set forth in the *OMB Circular A-133 Compliance Supplement*, relating to federal awards and have identified and disclosed to you all amounts questioned and all known compliance violations or issues with the requirements of federal awards, regardless of their materiality.
- k) We have disclosed to you any communications from grantors and pass-through entities concerning possible noncompliance with the direct and material compliance requirements, including communications received from the end of the period covered by the compliance audit to the date of the auditor's report.
- l) We have disclosed to you the findings received and related corrective actions taken for previous audits, attestation engagements, and internal or external monitoring that directly relate to the objectives of the compliance audit, including findings received and corrective actions taken from the end of the period covered by the compliance audit to the date of the auditor's report.



- m) Amounts claimed or used for matching were determined in accordance with relevant guidelines in OMB Circular A-87 , *Cost Principles for State, Local and Tribal Governments; and OMB's Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments.*
- ~~n) We have disclosed to you our interpretation of compliance requirements that may have varying interpretations.~~
- o) We have made available to you all documentation relating to compliance with the direct and material compliance requirements, including information related to federal program financial reports and claims for advances and reimbursements.
- p) We have disclosed to you the nature of any subsequent events that provide additional evidence about conditions that existed at the end of the reporting period affecting noncompliance during the reporting period.
- q) There are no known instances of noncompliance with direct and material compliance requirements that occurred subsequent to the period covered by the auditor's report.
- r) No changes in internal control over compliance or other factors that might significantly affect internal control, including any corrective action taken by management regarding significant deficiencies and material weaknesses in internal control over compliance, have occurred subsequent to the date as of which compliance is audited.
- s) Federal program financial reports and claims for advances and reimbursements are supported by the books and records from which the basic financial statements have been prepared.
- t) The copies of federal program financial reports provided you are true copies of the reports submitted, or electronically transmitted, to the respective federal agency or pass-through entity, as applicable.
- u) We have monitored subrecipients to determine that they have expended pass-through assistance in accordance with applicable laws and regulations and have met the requirements of OMB Circular A-133.
- v) We have taken appropriate action, including issuing management's decisions, on a timely basis after receipt of subrecipients' auditor's reports that identified noncompliance with laws, regulations, or the provisions of contracts or grant agreements and have ensured that subrecipients have taken the appropriate and timely corrective action on findings.
- w) We have considered the results of subrecipient audits and have made any necessary adjustments to our books and records.
- x) We have charged costs to federal awards in accordance with applicable cost principles.
- y) We are responsible for and have accurately prepared the summary schedule of prior audit findings to include all findings required to be included by OMB Circular A-133 and we have provided you with all information on the status of the follow-up on prior audit findings by federal awarding agencies and pass-through entities, including all management decisions.
- z) We are responsible for and have accurately prepared the auditee section of the Data Collection Form as required by OMB Circular A-133.



aa) We are responsible for taking corrective action on each audit finding.

bb) We have disclosed all contracts or other agreements with service organizations and we have disclosed to you all communications from the service organizations relating to noncompliance at the service organizations.

24) No events, including instances of noncompliance, have occurred subsequent to the statement of financial position date and through the date of this letter that would require adjustment to or disclosure in the aforementioned financial statements, supplementary information, or in the schedule of findings and questioned costs.

Michael Duenas

Signature:  Title: Executive Director

Lucele Leon Guerrero

Signature:  Title: Controller

Jildo DeNorcey

Signature:  Title: Deputy Controller

GUAM HOUSING AND URBAN RENWAL AUTHORITY

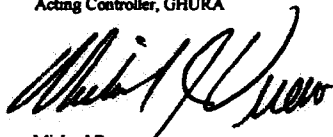
APPENDIX - B

Proposed Audit Adjusting Journal Entries
September 30, 2012

Fund/Acct #	Account Name	Assets Dr. (Cr.)	Liabilities Dr. (Cr.)	Net Assets Beg. of Year Dr. (Cr.)	Income Statement Dr. (Cr.)
CAJE - 1					
071.4420.00.0.845.05.5	AMP - 1 Ordinary maintenance and operations - materials and other				\$ 22,935.30
072.4420.00.0.845.05.5	AMP - 2 Ordinary maintenance and operations - materials and other				\$ 22,069.68
073.4420.00.0.845.05.5	AMP - 3 Ordinary maintenance and operations - materials and other				\$ 22,519.49
074.4420.00.0.845.05.5	AMP - 4 Ordinary maintenance and operations - materials and other				\$ 30,282.08
071.1260.00.0.000.00.0	AMP 1 - Inventory	\$ (22,935.30)			
072.1260.00.0.000.00.0	AMP 2 - Inventory	\$ (22,069.68)			
073.1260.00.0.000.00.0	AMP 3 - Inventory	\$ (22,519.49)			
074.1260.00.0.000.00.0	AMP 4 - Inventory	\$ (30,282.08)			
	To adjust inventory to actual for overstatement in costing.				
CAJE - 2					
071.4520.00.0.854.04.4	Payment in-lieu of Taxes - AMP 1				\$ 11,433.00
074.4520.00.0.854.04.4	Payment in-lieu of Taxes - AMP 4				\$ 15,367.00
071.2137.00.0.854.04.4	Accrued Liabilities - PILOT - AMP 1		\$ (11,433.00)		
074.2137.00.0.854.04.4	Accrued Liabilities - PILOT - AMP 4		\$ (15,367.00)		
	To accrue PILOT liability for FY 2012.				
CAJE - 3					
901.1129.00.0.000.00.0	Accounts Receivable - AMP 1	\$ 11,433.00			
901.1129.00.0.000.00.0	Accounts Receivable - AMP 2	\$ 15,367.00			
901.3691.00.0.103.01.1	Other Income - PILOT Contributions				\$ (26,800.00)
	To accrue PILOT contribution for FY 2012.				
CAJE - 4					
070.7520.00.0.831.02.1	Capital Assets - vehicles	\$ 17,325.00			
070.5800.00.0.000.00.0	Depreciation expense - COCC				\$ 3,465.00
070.2119.70.4.000.00.0	Due to Other Funds - AMP 4		\$ (17,325.00)		
070.1400.05.0.000.00.0	Accumulated Depreciation - Vehicles - COCC	\$ (3,465.00)			
	To record the purchase of 2010 Nissan Frontier truck from AMP-4 and current depreciation expense.				
CAJE - 5					
074.1126.00.0.600.00.0	Due from Other Funds - COCC	\$ 17,325.00			
074.1400.05.0.000.00.0	Accumulated Depreciation - AMP - 4	\$ 8,744.40			
074.7520.00.0.831.04.4	Capital Assets - vehicles	\$ (19,432.00)			
074.2810.00.0.000.00.0	Gain on sale of capital asset - AMP - 4				\$ (6,637.40)
	To record the sale of 2010 Nissan Frontier truck to COCC and to recognize the gain on sale.				
		<u>\$ (50,509.15)</u>	<u>\$ (44,125.00)</u>	<u>\$ -</u>	<u>\$ 94,634.15</u>

We have reviewed the above adjustment and authorize its respective recording in the General Ledger as of September 30, 2012. As such, this adjustments is not a result of bookkeeping errors, misappropriation of assets and a result of fraud, illegal acts or a misappropriation of assets.


Jille DeNorcey
Acting Controller, GHURA


Michael Duenas
Executive Director, GHURA