

*Management Letter*

**Antonio B. Won Pat International Airport  
Authority, Guam**

*Year ended September 30, 2021*





March 16, 2022

The Board of Directors  
 Antonio B. Won Pat International Airport  
 Authority, Guam

In planning and performing our audit of the financial statements of the Antonio B. Won Pat International Airport Authority, Guam (the Authority) as of and for the year ended September 30, 2021, 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 Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be significant deficiencies or material weaknesses and therefore, there can be no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified. However, as discussed below, we identified other matter that we wish to bring to your attention.

### Provision for Doubtful Accounts

Condition:

The Authority's allowance for doubtful accounts amounted to \$364,000 as of September 30, 2021. Our analysis of the Authority's accounts receivables shows an increasing trend in outstanding balances over 90 days:

	<b>Fiscal Year 2021</b>	<b>Fiscal Year 2020</b>	<b>Fiscal Year 2019</b>	<b>Fiscal Year 2018</b>	<b>Fiscal Year 2017</b>	<b>Fiscal Year 2016</b>
Over 90 days	\$269,806	\$709,078	\$37,660	\$36,316	\$54,579	\$59,683
Over 120 days	739,241	748,615	38,205	46,396	24,173	67,177
Over 180 days	2,292,161	1,208,065	46,233	138,115	34,156	22,573
Over 365 days	183,306	622,855	593,821	1,344,601	1,781,972	2,816,805
<b>Total Balance over 90 days</b>	<b>\$3,484,514</b>	<b>\$3,288,613</b>	<b>\$715,919</b>	<b>\$1,565,428</b>	<b>\$1,894,880</b>	<b>\$2,966,238</b>

Provision for Doubtful Accounts, continued

Recommendation:

Management should continue to monitor and reassess the sufficiency of its allowance for doubtful accounts based on the current economic conditions presented by COVID-19.

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This communication is intended solely for the information and use of management and the Board of Directors of the Authority, 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*