

June 2, 2006

Board of Trustees
Guam Community College:

Gentlemen:

In planning and performing our audit of the financial statements of Guam Community College (the College) for the year ended September 30, 2005, on which we have issued our report dated June 2, 2006, we developed the following recommendations concerning matters related to its internal control. Our recommendations are summarized below:

Finding No. 1 – Salary Overpayment

Criteria:

Employee salary is calculated and paid based on actual timecharges and pay rates.

Condition:

In a sample of twenty-five payroll expenditures tested, one employee (no. 3190) was overpaid by \$1,382 during the payperiod ended April 16, 2005.

Recommendation:

We recommend that a thorough review of payroll be performed. In addition, when an overpayment occurs, we recommend timely corrective action to ensure collection occurs.

Finding No. 2 – Fixed Asset Identification Tag Number

Criteria:

Fixed assets are to be assigned and tagged with an identification number.

Condition:

Of twenty fixed assets inspected, one asset did not have an identification tag number. The asset was identified through its serial number.

<u>Asset ID</u>	<u>Description</u>	<u>Amount</u>
904966	3M Multimedia Projector Enchor	\$2,653

Recommendation:

We recommend that the asset identification tag number be attached to all fixed assets to facilitate easy identification and tracking.

Board of Trustees
Guam Community College
June 2, 2006

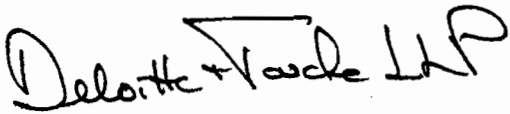
Page 2

* * * * *

This report is intended solely for the information and use of the Board of Trustees and management of the Guam Community College and the Office of the Public Auditor of Guam.

We wish to express our appreciation for the cooperation of the staff and management of the College during the course of our audit. We would be available to discuss any questions that you may have concerning the above comments at your convenience.

Very truly yours,

A handwritten signature in black ink that reads "Deloitte + Touche LLP". The signature is written in a cursive, stylized font. The "D" is large and loops around the "eloitte". The "+" sign is small and positioned between "eloitte" and "Touche". The "Touche" is written in a similar cursive style, and "LLP" is written in a more upright, blocky cursive at the end.