

Management Letter

Guam Economic Development Authority

Year ended September 30, 2022





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The Board of Directors
Guam Economic Development Authority

In planning and performing our audit of the financial statements of the Guam Economic Development Authority (GEDA) as of and for the year ended September 30, 2022, 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 GEDA's internal control. Accordingly, we do not express an opinion on the effectiveness of GEDA'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.

Grant Programs

Observation:

GEDA was designated by the Government of Guam as processor and administrator of various federally-funded grant programs. However, the details of these arrangements have not been formally documented in a memorandum of understanding with the Government of Guam which may result to incorrect recording in the financial statements.

Recommendation:

GEDA should ensure that its relationship with the Government of Guam and the related terms of the grant programs are documented appropriately in a memorandum of understanding to assist management in properly recording transactions in the financial statements.

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This communication is intended solely for the information and use of management and the Board of Directors of GEDA, 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 matter or to respond to any questions, at your convenience.

Ernst + Young LLP