The Auditor's Communication With Those Charged With Governance

Government of Guam

Year Ended September 30, 2022





Ernst & Young LLP 231 Ypao Road Suite 201 Ernst & Young Building Tamuning, Guam 96913 Tel: +1 671 649 3700 Fax: +1 671 649 3920 ey.com

November 20, 2023

Management and Those Charged with Governance Government of Guam

We have performed an audit of the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of the Government of Guam (GovGuam), as of and for the year ended September 30, 2022, and the related notes to the financial statements, which collectively comprise GovGuam's basic financial statements, in accordance with auditing standards generally accepted in the United States of America (GAAS), and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and have issued our report thereon dated November 20, 2023.

Provided below is a summary of required communications between the audit team and those charged with governance, as required by AICPA Clarified US Auditing Standard (AU-C) 260, *"The Auditor's Communication With Those Charged With Governance"*, and other applicable auditing standards.

This communication is intended solely for the information and use of GovGuam's management and the Office of Public Accountability of 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.

Very truly yours,

Ernst + Young LLP

REQUIRED COMMUNICATIONS

Auditors' Responsibilities under GAAS, including our discussion of the type of auditor's report we are issuing and the circumstances that affect the form and content of our auditor's report, if applicable

Our responsibilities are included in our audit engagement agreement. A copy of such agreement has previously been provided to you.

We have issued an unmodified opinion on GovGuam's financial statements as of and for the year ended September 30, 2022.

An audit of financial statements includes consideration of 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 entity's internal control over financial reporting. Accordingly, we will express no such opinion.

An audit also includes the evaluation of the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as the evaluation of the overall presentation of the financial statements.

Changes to the audit strategy, timing of the audit and significant risks identified

Our audit strategy is consistent with the plan communicated during the March 2023 meeting.

Matters relevant to our evaluation of the entity's ability to continue as a going concern

We did not identify any events or conditions that led us to believe there was substantial doubt about GovGuam's ability to continue as a going concern.

Our views about the qualitative aspects of the entity's significant accounting practices, including:

- Accounting policies
- Accounting estimates

Management has not selected or changed any significant policies or changed the application of those policies in the current year other than the adoption of Government Accounting Standards Board Statement No. 87 - Leases as disclosed in Note 1 of the basic financial statements.

We have provided a discussion of significant accounting policies and our views regarding significant accounting estimates and financial statement disclosures and related matters in Note 1 of the basic financial statements.

We determined that those charged with governance are informed about management's process for formulating particularly sensitive estimates and about the basis to our conclusions regarding the reasonableness of those estimates.

Management's judgment is called upon in:

- Preparing budgets that are used to administer and monitor GovGuam's operations. These budgets include determining how existing financial resources will be used in GovGuam's operations.
- Determining the adequacy of the allowance for accounts receivable.
- Determining the assumptions used in measuring significant accounting estimates for financial accounting purposes.

Related party relationships and transactions

We noted no significant matters regarding GovGuam's relationships and transactions with related parties.

Changes to the terms of the audit with no reasonable justification for the change

We are not aware of any matters that require communication.

Significant unusual transactions

We are not aware of any significant unusual transactions executed by GovGuam.

Difficult or contentious matters subject to consultation outside of the audit team

There were no difficult or contentious matters that required consultation outside of the audit team.

Material corrected misstatements related to accounts and disclosures

Refer to "Management Representations Letter" in Appendix A.

Uncorrected misstatements related to accounts and disclosures, considered by management to be immaterial

Refer to "Management Representations Letter" in Appendix A.

Significant deficiencies and material weaknesses in internal control over financial reporting

We have identified material weaknesses and significant deficiencies in the internal control during the course of our audit which have been included in our separately issued report of GovGuam's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters, dated November 20, 2023.

Fraud and noncompliance with laws and regulations (illegal acts)

We are not aware of any matters that require communication.

Independence matters

We are not aware of any matters that in our professional judgment would impair our independence.

New accounting pronouncements

Management is still assessing the impact of adopting the following GASB Statements:

- GASB Statement No. 91
- GASB Statement No. 94
- GASB Statement No. 96
- GASB Statement No. 99
- GASB Statement No. 100
- GASB Statement No. 101

Significant issues discussed with management in connection with the auditor's initial appointment or recurring retention

We are not aware of any matters that require communication.

Disagreements with management and significant difficulties encountered in dealing with management when performing the audit

There were no material disagreements with GovGuam's management on financial accounting and reporting matters during the audit.

Management's consultations with other accountants

We are not aware of any consultations made by management with other accountants or specialists.

Other material written communications with management

None.

Other matters

There are no other matters arising from the audit that are significant and relevant to those charged with governance regarding the oversight of the financial reporting process.

AICPA ethics ruling regarding third-party service providers

From time to time, and depending on the circumstances, (1) we may subcontract portions of the Audit Services to other EY firms, who may deal with GovGuam or its affiliates directly, although EY alone will remain responsible to you for the Audit Services and (2) personnel (including non-certified public accountants) from an affiliate of EY or another EY firm or any of their respective affiliates, or from independent third-party service providers (including independent contractors), may participate in providing the Audit Services. In addition, third-party service providers may perform services for EY in connection with the Audit Services.

Representations from management

We have obtained from management a representations letter related to the audit and a copy of the management representations letter is included in Appendix A.

Engagement team's involvement with preparation of the financial statements

Under GAS 2018 Revisions, Chapter 3 General Standards, Paragraph 3.37 Requirements for Performing Non-audit Services explains that the audit team should make consideration of management's ability to effectively oversee the non-audit (or non-attest) services to be performed. The engagement team should determine that the audited entity has designated an individual(s) who possesses suitable skill, knowledge or experience and that the individuals understand the services to be performed sufficiently to oversee them. The engagement team should document consideration of management's ability to oversee non-audit services to be performed.

The engagement team believes that this significant threat is reduced to an acceptable level upon application of the following safeguards:

- An engagement quality review was performed by a qualified Ernst & Young Partner who was not otherwise involved in the audit.
- All adjusting journal entries that Ernst & Young posted to the trial balance have been approved by management of GovGuam.
- The preparation of the financial statements is based on GovGuam's trial balance with the understanding that underlying books and records are maintained by GovGuam's accounting department and that the final trial balance prepared by GovGuam is complete.
- GovGuam's Director, Deputy Financial Manager, and Controller have the skill set to oversee and review the completeness and accuracy of the financial statements and footnote disclosures.

Appendix

A – Management Representations Letter

A - Management Representations Letter



DEPARTMENT OF ADMINISTRATION DIPATTAMENTON ATMENESTRASION DIRECTOR'S OFFICE (Ufisinan Direktot) Telephone (Telifon): (671) 475-1101/1250



November 20, 2023

Ernst & Young LLP Ernst & Young Building 231 Ypao Road, Suite 201 Tamuning, Guam 96931

In connection with your audit of the basic financial statements of the Government of Guam (GovGuam) as of September 30, 2022 and for the year then ended, and the related notes to the financial statements, we recognize that obtaining representations from us concerning the information contained in this letter is a significant procedure in enabling you to form opinions whether the financial statements present fairly, in all material respects, the respective financial position of the governmental activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of GovGuam and the respective changes in financial position and cash flows, where applicable, thereof in conformity with US generally accepted accounting principles (US GAAP).

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, 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.

Accordingly, we make the following representations, which are true to the best of our knowledge and belief:

Management's responsibilities

We have fulfilled our responsibilities, as set forth in the terms of the audit engagement agreement dated December 29, 2022, for the preparation and fair presentation of the financial statements (including disclosures) in accordance with US GAAP applied on a basis consistent with that of the preceding years.

In preparing the financial statements, we evaluated whether there are conditions or events, considered in the aggregate, that raise substantial doubt about GovGuam's ability to continue as a going concern for one year after the date that the financial statements are issued, and to provide appropriate financial statement disclosure, when applicable, related to going concern and using the going concern basis of accounting unless we prepared the financial statements in accordance with the liquidation basis of accounting.

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We acknowledge our responsibility for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error. We have provided you with:

- Access to all information, of which we are aware, that is relevant to the preparation and fair presentation of the financial statements such as records, data, documentation and other matters
- · Additional information that you have requested from us for the purpose of the audit
- Unrestricted access to persons within GovGuam from whom you determined it necessary to obtain evidence

We have no plans or intentions that may materially affect the carrying value or classification of assets and liabilities.

From October 1, 2021 through the date of this letter we have disclosed to you, to the extent that we are aware, any (1) unauthorized access to our information technology systems that either occurred or is reasonably likely to have occurred, including of reports submitted to us by third parties (including regulatory agencies, law enforcement agencies and security consultants), to the extent that such unauthorized access to our information technology systems is reasonably likely to have a material effect on the financial statements of any opinion unit that comprises the basic financial statements, in each case or in the aggregate, and (2) ransomware attacks when we paid or are contemplating paying a ransom, regardless of the amount.

Uncorrected misstatements

We believe that the effects of any uncorrected, summarized in the accompanying schedule, accumulated by you during the current audit and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements for each opinion unit. Refer to the "Schedule of Uncorrected Misstatements" in Appendix A.

Corrected misstatements

We have reviewed and approved the adjustments, summarized in the accompanying schedule, and reflected these adjustments in the financial statements. Refer to the "Schedule of Corrected Misstatements" in Appendix B.

Internal control

There are no material transactions that have not been properly recorded in the accounting records underlying the financial statements.

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We have communicated to you all significant deficiencies in the design or operation of internal control over financial reporting. There have been no significant changes in internal control since September 30, 2022.

Minutes and contracts and internal audit reports

We have not prepared any minutes of the meetings of members, officers or summaries of actions of recent meetings held from October 1, 2021 to the date of this letter.

We also have made available to you all significant contracts, including amendments, and agreements and have communicated to you all significant oral agreements. We have complied with all aspects of contractual agreements that would have a material effect on the financial statements in the event of noncompliance, including all covenants, conditions or other requirements of all outstanding debt.

We have also made available to you all internal audit reports (or reports from similar functions) that were issued to management during the year that address internal control over financial reporting.

Methods, significant assumptions, and data used in making accounting estimates

The appropriateness of the methods, the consistency in application, the accuracy and completeness of data, and the reasonableness of significant assumptions used by us in developing accounting estimates and related disclosures, including those measured at fair value, are reasonable and supportable.

Ownership and pledging of assets

Except for right-to-use another entity's nonfinancial asset (the underlying asset), GovGuam has satisfactory title to all assets appearing in the statement of net position. No security agreements have been executed under the provisions of the Uniform Commercial Code, and there are no liens or encumbrances on assets, nor has any asset been pledged. All assets to which GovGuam has satisfactory title appear in the statement of net position.

Receivables and revenues

Receivables have been determined in accordance with all relevant GASB Statements, including GASB Statements No. 33 and 62—as amended.

Adequate provision has been made for losses, costs and expenses that may be incurred subsequent to the statement of net position date in respect of any sales and services rendered prior to that date and for uncollectible accounts, discounts, returns and allowances, etc., that may be incurred in the collection of receivables at that date.

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Long-lived assets to be held and used, including amortizable intangible assets

No events or changes in circumstances have occurred that indicate the carrying amounts of long-lived assets to be held and used, including intangible assets that are subject to amortization, may not be recoverable.

Fair value measurements

We are responsible for the estimation methods and assumptions used in measuring assets and liabilities reported or disclosed at fair value, including information obtained from brokers, pricing services or other third parties. Our valuation techniques have been consistently applied from period to period. The fair value measurements reported or disclosed represent our best estimate of fair value as of the measurement date in accordance with the requirements of GASB Statement No. 72-as amended. In addition, our disclosures related to fair value measurements are consistent with the objectives outlined in GASB Statement No. 72-as amended.

We have evaluated the fair value information provided to us by brokers, pricing services or other parties that has been used in the financial statements and believe this information to be reliable and consistent with the requirements of GASB Statement No. 72—as amended.

Leases

Our calculation of the cumulative effect of initially applying GASB 87 – as amended as of the beginning of the period of adoption is in accordance with our accounting policies established under GASB 87—as amended. The initial adoption does not have an impact on the beginning balance of net position.

We have identified and accounted for all contracts that meet the criteria to be accounted for as a lease under GASB 87—as amended. We have appropriately considered any renewal, termination or purchase options in the contract.

Related party relationships and transactions

We have made available to you the names of all related parties and all relationships and transactions with related parties.

The substance of transactions with related parties as defined in GASB Statement No. 56—as amended, has been considered and appropriate adjustments or disclosures are made in the basic financial statements, and information concerning these transactions and amounts have been made available to you.

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Side agreements and other arrangements

There have been no side agreements or other arrangements (either written or oral) that have not been disclosed to you.

Arrangements with financial institutions

Arrangements with financial institutions involving compensating balances or other arrangements involving restrictions on cash balances and line-of-credit or similar arrangements have been properly recorded or disclosed in the financial statements.

Events of default under debt agreements

No events of default have occurred with respect to any of GovGuam's debt agreements.

Contingent liabilities

There are no unasserted claims or assessments, including those our lawyers have advised us of that are probable of assertion and must be disclosed in accordance with GASB Statement No. 62 – as amended other than those disclosed in the financial statements.

There have been no violations or possible violations of laws or regulations in any jurisdiction whose effects should be considered for disclosure in the financial statements or as a basis for recording a loss contingency other than those disclosed or accrued in the financial statements.

There have been no internal investigations or communications from regulatory agencies or government representatives in any jurisdiction concerning investigations or allegations of noncompliance with laws or regulations, noncompliance with or deficiencies in financial reporting practices, or other matters that could affect the financial statements other than those disclosed or accrued in the financial statements.

There are no other liabilities or gain or loss contingencies considered material, individually or in the aggregate, that are required to be accrued or disclosed by GASB Statement No. 62 – as amended other than those accrued or disclosed in the financial statements, nor are there any accruals for loss contingencies included in the statement of net position or gain contingencies reflected in earnings that are not in conformity with the provisions of GASB Statement No. 62 – as amended.

Oral or written guarantees

There are no oral or written guarantees, including guarantees of the debt of others.

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Purchase commitments

At September 30, 2022, GovGuam had no purchase commitments for inventories in excess of normal requirements or at prices that were in excess of market at those dates.

There were no agreements or commitments to repurchase assets previously sold. There were no material commitments outstanding at September 30, 2022 as a result of being a party to futures or forwards contracts, short sales or hedge transactions.

Non-compliance with laws and regulations, including fraud

We acknowledge that we are responsible to determine that GovGuam's business activities are conducted in accordance with laws and regulations and that we are responsible for identifying and addressing any non-compliance with applicable laws or regulations, including fraud.

We acknowledge our responsibility for the design, implementation and maintenance of a system of internal control to prevent and detect fraud.

We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.

We have disclosed to you all significant facts relating to any frauds or suspected frauds, or allegations of fraud known to us that may have affected GovGuam (regardless of the source or form and including, without limitation, allegations by "whistle-blowers"), whether involving management or employees who have significant roles in internal control. Similarly, we have disclosed to you our knowledge of frauds or suspected frauds affecting the entity involving others where the fraud could have a material effect on the financial statements. We have also disclosed to you all information in relation to any allegations of fraud or suspected fraud communicated by employees, former employees, analysts, regulators or others, that could affect the financial statements.

We have disclosed to you all known actual or suspected noncompliance with laws and regulations whose effects should be considered when preparing the financial statements.

Independence

We have communicated to you the names of GovGuam's affiliates, officers and directors, or individuals who serve in such capacity for GovGuam.

We are not aware of any business relationship between the Company and Ernst & Young LLP or any other member firm of the global Ernst & Young organization.

We are not aware of any reason that Ernst & Young LLP would not be independent for purposes of GovGuam's audit.

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Conflicts of interest

There are no instances where any officer or employee of GovGuam has an interest in a company with which GovGuam does business that would be considered a "conflict of interest."- Such an interest would be contrary to GovGuam policy.

Effects of new accounting principles

As discussed in Note 1 to the financial statements, we have not completed the process of evaluating the effects that will result from adopting the amendments to the following codification provided in Governmental Accounting Standards Board (GASB):

- GASB Statement No. 91
- GASB Statement No. 94
- GASB Statement No. 96
- GASB Statement No. 99
- GASB Statement No. 100
- GASB Statement No. 101

GovGuam is therefore unable to disclose the effects that adopting the amendments in the aforementioned GASB Statements will have on its financial position and the changes in its financial position when such statements are adopted.

Going concern

In preparing the financial statements, we evaluated the entity's ability to continue as a going concern for twelve months after the date that the financial statements are issued, and provide appropriate financial statement disclosure, as necessary under GASB requirements.

Pension benefits

We have disclosed to you all significant pension benefits promised and have made available to you all significant summary plan descriptions, benefit communications and all other relevant information, including plan changes, that constitute the plan.

Postemployment benefits other than pensions

We have disclosed to you all significant postemployment benefits other than pensions (OPEBs) promised and have made available to you all significant summary plan descriptions, benefit communications and all other relevant information, including plan changes, that constitute the plan.

Required supplementary information

We acknowledge our responsibility for the required supplementary information on the Management's Discussion and Analysis, the Schedule of Proportionate Share of the Net

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Pension Liability, the Schedule of Contributions and the Schedule of Proportionate Share of the Total OPEB Liability and Related Ratios, which have been measured and presented in conformity with the guidelines established by the Governmental Accounting Standards Board in its applicable GASB Statement. There have been no changes in the methods of measurement or presentation of the required supplementary information from those used in the prior period.

We are responsible for the significant assumptions and interpretations underlying the measurement and presentation of the required supplementary information. We believe that the significant assumptions and interpretations used are reasonable.

We believe that the separate presentation of the schedule of changes in total pension liability and related ratios related to GASB statement No. 73 is not significant. The required information is combined with schedules required under GASB Statement No. 68.

Supplementary information

We are responsible for the preparation and fair presentation of the following schedules (the "Supplementary Information"):

- Supplementary Combining Schedule of Balance Sheet Accounts
- Supplementary Combining Schedule of Revenues, Expenditures by Function, and Changes in Fund Balances (Deficit) Accounts
- Supplementary Combining Statement of Fiduciary Net Position
- Supplementary Combining Statement of Changes in Fiduciary Net Position
- Supplementary Schedule of Personnel Count Primary Government
- Supplementary Schedule of Continuing Appropriations

We believe the supplementary information, including its form and content, is fairly stated in all material respects.

There have been no changes in the methods of measurement or presentation of the supplementary information from those used in the prior period.

There are no significant assumptions or interpretations underlying the measurement or presentation of the information.

Additional representations

• We recognize that we are responsible for GovGuam's compliance with the laws, regulations, provisions of contracts and grant agreements that are applicable to it. We have identified and disclosed to your representatives all laws, regulations, provisions of contracts and grant agreements that have a direct and material effect on the determination of financial statement amounts or other financial data significant to the audit objectives.

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- We have identified to your representatives all previous audits, attestation engagements, and other studies related to the audit objectives and whether the related recommendations have been implemented.
- We have informed you of any investigations or legal proceedings that have been initiated or are in process with respect to the period under audit.
- · We have a process to track the status of audit findings and recommendations.
- We have provided views on your reported findings, conclusions, and recommendations, as well as management's planned corrective actions, for the report.
- We have taken timely and appropriate steps to remedy noncompliance with provisions of laws, regulations, and contracts or grant agreements, that you have reported.
- We have identified and disclosed to you, all provisions of laws and regulations that could have a direct and material effect on financial statement amounts, including legal and contractual provisions for reporting specific activities in separate funds. We have identified and disclosed to you, all instances of identified or suspected noncompliance with laws, regulations, and provisions of contracts and grant agreements where the noncompliance could have a direct and material effect on the financial statements.
- We have followed all applicable laws and regulations in adopting, approving and amending budgets, deposits and investments, including collateral requirements on depository accounts and investments.
- The financial statements include all fiduciary activities as required by GASB Statement No. 84.
- There have been no instances of abuse that have occurred or are likely to have occurred that could be quantitatively or qualitatively material to the financial statements.
- Components of net position (net investment in capital assets; restricted; and unrestricted) are properly classified and, if applicable, approved.
- Risk disclosures associated with deposits and investment securities are presented in accordance with GASB requirements.
- Investments are properly valued.
- Capital assets are properly capitalized, reported and, if applicable, depreciated.

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- Our policy regarding whether to first apply restricted or unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available is appropriately disclosed and net position was properly recognized under the policy.
- GovGuam has obligated, expended, received and used public funds in accordance with the purpose for which such funds have been appropriated or otherwise authorized by Guam or federal law. Such obligation, expenditure, receipt or use of public funds was in accordance with any limitations, conditions or mandatory directions imposed by Guam or federal law.
- Money or similar assets handled by Government of Guam or Federal Government have been properly and legally administered and the accounting and recordkeeping related thereto is proper, accurate and in accordance with law.
- Subsequent events have been evaluated and classified as recognized or nonrecognized through the date of this letter.

Other matters

We have received a draft copy of our financial statements as of and for the year ended September 30, 2022. The accuracy and completeness of the financial statements, including footnote disclosures, are our responsibility.

You have assisted in the preparation of our financial statements based on information in our trial balance and accounting records. It is our understanding that:

- Our underlying books and records are maintained by our accounting department and that the final trial balance prepared by us is complete and,
- All adjusting journal entries posted to the trial balance have been approved by us, and
- We have designated a competent representative to oversee your services and that our personnel have sufficient financial competence who are able to challenge and review the completeness and accuracy of the financial statements, including footnote disclosures.

We have reviewed the draft financial statements for accuracy and completeness.

We acknowledge that we have reviewed them and taken responsibility for them.

Subsequent events

Subsequent to September 30, 2022, no events or transactions have occurred or are pending that would have a material effect on the basic financial statements at that date

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or for the period then ended, or that are of such significance in relation to GovGuam's affairs to require mention in a note to the basic financial statements in order to make them not misleading regarding the financial position, changes in financial position and cash flows of GovGuam, except those listed below, which have been disclosed as Note 16 to the financial statements:

- On December 17, 2022, PL 36-123 was enacted whereby \$26,381,000 was appropriated from the 2022 General Fund surplus to the Guam Power Authority (GPA) to extend the Prugraman Ayuda Para I Taotao-Ta Energy Credit Program.
- On May 22, 2023, PL 37-16 was enacted whereby \$15,581,367 was appropriated from the 2022 General Fund surplus to the Guam Power Authority (GPA) to extend the Prugraman Ayuda Para I Taotao-Ta Energy Credit Program.
- On September 25, 2023, the U.S. District Court issued a Consent Decree whereby the United States Government will pay GovGuam \$48.900M for its share of past costs spent in remediating and closing the Ordot Dump.

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We understand that your audit was conducted in accordance with auditing standards generally accepted in the United States of America as established by the American Institute of Certified Public Accountants and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States of America and was, therefore, designed primarily for the purpose of expressing opinions on the basic financial statements of GovGuam and that your tests of the accounting records and other auditing procedures were limited to those that you considered necessary for that purpose.

Very truly yours,

Edward M Birn Date:2023-11-20 T15:49:22+10:00

Edward M. Birn Director

11/20/2023

Gaudencio A. Rosario Deputy Financial Manager

Mary Grace V. Edrosa

Controller

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Appendices

A - Schedule of Uncorrected Misstatements

B – Schedule of Corrected Misstatements

C - Subsequent Events

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Appendix A – Schedule of Uncorrected Misstatements

Entity	Government of Guam - Government Woe			Period Ended:	30-S+p-2922	Currency	USD]		
Uncorr	octed misstatements	(Analysia	of misstatement	Is Debit/(Credit)				
Na.	Account (Note 1)	Assets Current		Liobilities Current	Liabilities Non-current	Equity	Effect on the current period OCI	Income stat effect of the perio	carrent	Income statement effect of the prior period
	(misstalements are recorded as journal entries with a description)	Debit/(Credit) (Note 2)	Debit/(Credit) (Note 2)	Debit/(Credit) (Note 2)	Debiti(Credit) (Note 2)	Debi6/(Credit)	Debit/(Credit)	Debit/(Credit)	Non taxable	Prior period No Debib(Credit) taxa
Factus	misstatements:									1
	General Fund - Factual statements									
		(10,829,140)	(11,553,693)	13,649,420	2			8,773,413		(858.600.1)
	Foderal Grants Fund-Factual statements	x	6		12. II			9		32
		(8.173,688)		6,173,688	1				U	
Project	ed misstatements:									
	General Funck-Projected misstatements				uo		an t			
						1,878,111		(1.878,111)		1,878,111
Judgm	ental ministatements:									2
	General Fund-Judgemental misstatements									100
		6,712,891		(8.554,751)	10		16 T	1.641.860		
Total c	funcorrected misstatements before income tax	(10.283.915)	(11.191.697)	11,268,355	0	1,878,111	0	8,737,162		565,522
Total o	funcorrected misstatements	(10,209,935)	(11,593,693)	11,268,355	0	1,878,111	0	\$,737,162		568,522
Financ	al statement amounts	2,397,690,000	661,102,000	(4, 278, 052, 000)	(\$22,570,000)	2,341,859,000	1	122,341,000		(35,944,459)
Effect	f uncorrected misstatements on F/S amounts	-0.4%	-1.8%	.0.2%	0.0%	0.1%	j	7.1%		-1.6%
		Memo: Total of r	non-taxable item	(marked 'X' abo				0		0
		Uncorrected mis	statements befo	ore income tax			7.1%	8,737,162		568,522
		Less: Tax effect	of misstatement	ts at current year	r marginal rate		0%	0		0
		Uncorrected mis	statements in in	come tax				0		0
		Cumulative effe	ct of uncorrected	misstatements	after tax but befo	re turnaround	7.1%	8,737,182		568,522
		Turnaround effe	ect of prior period	All facts	sstatements all and projected Igmental misstat			After tax (565.522)	Memo: Bef (568,522) 0	ore tax
		Cumulative effer	ct of uncorrected	misstatements	after turnaround	effect	6.7%	5,168,640		
		Current year inc	ome before tax					122.341.000		

0 8,737,162

568,522

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Total of uncorrected miastatements before income tax

November 20, 2023

	ected misstalements			distant and the		the Product of the state						
No.	Account (Note 1)	Assets	Assets	Liabilities	of misstatement Liabilities	Equity	Effect on the	Income stat	- man	Income statement		
	Account (NOIE 1)	Current	Non-current	Current	Non-current	components Debiti(Credit)	current period OCI Debiti(Credit)	Income statement effect of the current period		effect of the prior period		
	(misstatements are recorded as journal entries with a description)	(Note 2)	Debit/(Credit) (Note 2)	Debit/(Credit) (Note 2)	Debit/(Credit) (Note 2)			Debit (Credit)	Non taxable	Prior period Non Debit/(Credit) taxabi		
factual	misslatements									2		
SAD01	To record Bus Operations for GDOE and GACS						21 2			1.000		
	Revenue-Otter						1	(1,553,000)	×	(#56,900) X		
	Accounts Receivable-Other (Inv8021 45-84/8022 21-	1,445,300		8 8	1		1		2	X 005,609		
	Due from component units (Inv8022-061/065)	108,300								48.300 X		
SAD92	To record revenue collected											
	Deposits and other liabilities			2,828,989	1		r i			r		
	Revenue-Other						1	(2.828.989)				
						-	1	and the second second				
SADES	To write off liability > 7 years old (GL 110021593) Accounts payable			1,156,148								
	Revenue-Other			1,150,148				(1,156,148)	~			
								[1,130,140)	<u> </u>			
SAD64	To write off Hability >4 years old (GL 110021591 a	nd GL 129321590)									
	Accounts payable			3,696,285								
	Revenue-Otter							(3.696.285)	×			
SAD05	To adjust accrued liabilities no longer valid.								1			
	Accrued Other Experiditures			1,226,763			1					
	Expenditures							(1,226,7635	×	-		
							1			L		
SADES	To record total 2015 claims liability with final set Expenditures	fement or payme	int pending the a	vailability of fun	ds.			1,874,308		-		
	Expendences Accounts payable			(1.674.308)				1,874,306	×.			
	ACCOUNTS DRYACE			(1,074,209)								
SAD97	To write off federal receivables related to FY21 PC	27 for Aetha Me	nical Benetim rec	corded in PT (not	reported in PT 3	EFAJ						
	Other revenue							3,850,923	*			
	Interfund - Federal Grants Fund 101		(3,650,823)							1) IV		
SADOS	85 To reconcile amounts due from federal egencies related to PUA.											
	Other revenue			2	2		1	7,542,778	×	e		
	Interfund - Federal Grants Fund 101		(7,942,770)						-			
	Construction and the construction of the const		Charles Contractor									
SAD09	To write off amounts due from GMH (GL 11001236		91236A)									
	Due from GMHA	(7,013,673)		-		-		7.0.0.075		3		
	Expenditures							7,813,673	x			
SADIO	To adjust lease propayments				2							
	Expenditures							4,569,067	×.	4,569,067 X		
	Precayments									<u>8</u>		
	rrepayments	(4.565,067)					1					
74044		(4.585,087)		5			1					
SAD11	To escheat unclaimed checks	(4.563,087)										
SAD11	To escheat unclaimed checks Accounts payable	(4.565,087)		6,615,543				10.012.5425		(1 573 650) Y		
	To esciteat unclaimed checks Accounts payable Revenue	(4,585,667)		6,615,543				(0.615.543)	×	(5,678,656) X		
	To escheat unclaimed checks Accounts payable	(4,583,087)		6,615,543				(8.615.543)	×	(5,675,655) X		
Jadgm	To esciteat unclaimed checks Accounts payable Revenue	(4,563,087)		6,615,543				(0.615,543)	×	(5.878.650) X		
Jadgm	To escheat unchaimed checks Accounts payable Revenue ental muletatements:	(4,563,087)		6,615,543				(5.615.543) 2,839,785	×	(3,673,656) X		
Jadgm	To escibed unclaimed sheeks Accounts payable Revenue ental mixestatements: To ecome DOG liabilities for GMIM	(4.568,087)		6,615,543					x	(5.879.650) X		
Judgm SAD12	To escheat unclaimed shecks Accounts payable Revenue estat muscatalemente: To accrue DOC inabilities for GMIM Expenditures Accounts payable	(4.563,687)							×	(5.670.650) X		
Judgm SAD12	To escheat unsfairmed shecks Accounts payable Berverue metal rokestatemients: To accura DOG liabilities for CMIAA Expessitures Accounts payable To adjust fac provision	(4.563,667)		(2,039,765)					×	(3.678.659) X		
Judgm SAD12	To esched unsfarmed shecks Accounts payable Recenue ental mixestatements: To accure DOC inabilities for GMMA Expeditures Accounts payable To adjust tar provision Provision for this returnes								×	(5.676.636) X		
Judgm SAD12	To esched unstained sheeks Accounts payable Sevenue Sevenue Execute DOC institutions for GMIM Dependenties Accounts pythe To adjust tar provision Provision for tax returns Account for performance Provision for tax returns	(4.563,667) (4.563,667) (4.563,667)		(2,039,765)				2,839,785	×	(5.875.650) X		
SAD12	To esched unsfairmed sheeks Accounts payable Sevenue metal rokestatemients: To accure DOG liabilities for GMIA Expeditures Accurst payable To adjust fac provision Provision for tax refunds Accurst day alter federal specy income tax provision (PSL)			(2,039,765)					x	(3.875.656) X		
SAD12	To esched unstained sheeks Accounts payable Sevenue Sevenue Execute DOC institutions for GMIM Dependenties Accounts pythe To adjust tar provision Provision for tax returns Account for performance Provision for tax returns			(2,039,765)				2,839,785	x	(5.875.850) X		
Jacgm SAD12 SAD13 Project	To esched unsfairmed sheeks Accounts payable Serverue enalt rokestatements: To accura DOG Inabilities for CMIAA Expeditures Accurats ageable To adjust fac provision Provision for tax refunds Accurat da president feater a leps/y income tax provision (PSL) income tax provision (PSL)	6,712,591		(2,039,785) (5,714,998)				2,839,785	×	(5.876.850) X		
Jacgm SAD12 SAD13 Project	To esched unsfairmed sheeks Accounts payable Sevenue metal rokestatemients: To accure DOG liabilities for GMIA Expeditures Accurst payable To adjust fac provision Provision for tax refunds Accurst day alter federal specy income tax provision (PSL)	6,712,591	ervice contract ((2,039,785) (5,714,998)		1.578.111		2,839,785	x	(3.670.650) X		

Appendix A - Schedule of Uncorrected Misstatements, continued

590 South Marine Corps Drive, ITC Building, Suite 224, Tamuning, Guam 96913 • P. O. Box 7420, Tamuning, Guam 96913

5,094,689

0

1,878,111

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Festive	Government of Guam - General Fund, continued	1		Period Ended:	38-5ep-2022	Currency	1150			
1250510				0.000000000000000	the second second	a consistent	030	N		
No.	cted misstatements Account (Note 1)	Assets	Assets	Analysis	of misstatement Liabilities		L Fellowith and F	Income sta		Income statem
No.	Account (Note 1)	Current	Assets Non-current	Current	Non-current	Equity components	Effect on the current period OCI	effect of the perio	current	effect of the pr period
	(misstatements are recorded as journal entries with a description)	Bebit/(Credit) (Note 2)	Debiti(Credit) (Note 2)	Debit/(Credit) (Note 2)	Debiti(Credit) (Note 2)	Debil/(Credit)	Debit/(Credit)	Debit/(Credit)	Non taxable	Prior period Debit/(Credit) ta
Total of	uncorrected misstatements before income tax	(4,118.249)	(11.563.693;	5,094,669	a	1,878,111	0	8,737,162	1	568,522
Total of	uncorrected misstatements	(4,110,249)	(11,593,693)	5,054,669	0	1,878,111	0	8,737,162	1	588,522
	I statement amounts	\$35,853,628	0	(401,385,418)	0	(135,488,210)	1	105,117,070	1	31,854,822
Effect o	funcorrected misstatements on F/S amounts	-0.8%	0.0%	-1.3%	0.0%		1	8.3%	1	1.8%
		Memo: Total of n	on-taxable items	(marked 'X' abo	ve)		5-	11,566,151	i	568,922
		Incorrected mis	atotemente bate				0.3%	A 737 185	1	568.522
									1	
		Less: Tax effect			marginal rate		016	0	4)	0
		Uncorrected mis			office the boot root	the frame as a second of	6.3%	8,737,162		568,522
				activity and a second		ne umaround	0.3%			
		Turnaround effe	ct of prior period	All facts	sstatements al and projected	misstatements:	0	After tax	Memo: 84 (563 522)	tore tax
				Jud	gmental misstate	ements (Note 3):			0	
		Cumulative effect	t of uncorrected	misstatements,	after turnaround	effect	7.8%	0,168,640		
		Current year inci	ome before tax					105.117,070	1	
		Current year inci	ome after tax					105,117.070	1	
Comm	unication schedule for uncorrected misstat	ements								
		1		Period Ended	10 Fee 200	Currency	USD			
entity	GovGuam - Federal Grants Assistance Fund	1		Fenad Ended	30-5ep-2022	Currency	050			
	and the second sec									
	ected misstalements				of misstatement		1			
Uncorre No.	cted misstatements Account (Note 1)	Assets	Assets Non-current	Liabilities	Liabilities	Equity	Effect on the	Income sta	tement	Income statem
	Account (Note 1) (misstatements are recorded as journal entries	Current Debit/(Credit)	Non-current Debit/(Credit)	Liabilities Current Debit/(Credit)	Liabilities Non-current Debit/Credit)		Effect on the current period OCI Debit(Credit)	effect of the perio	d Non	effect of the pr period Prior period
No.	Account (Note 1) (misstatements are recorded as journal entries with a description }	Current.	Non-current	Liabilities Current	Liabilities Non-current	Equity components	current period OCI	effect of the perio	d current	effect of the pr period
No,	Account (Note 1) (misstatements are recorded as journal entries	Current Debit/(Credit)	Non-current Debit/(Credit)	Liabilities Current Debit/(Credit)	Liabilities Non-current Debit/Credit)	Equity components	current period OCI	effect of the perio	d Non	effect of the pr period Prior period
No.	Account (Note 1) (misstatements are recorded as journal entries with a description }	Current Debit/(Credit) (Note 2)	Non-current Debit/(Credit) (Noto 2)	Liabilities Current Dobit/(Credit) (Note 2)	Liabilities Non-current Debit/Credit) (Note 2)	Equity components	current period OCI	effect of the perio	d Non	effect of the pr period Prior period
No.	Account (Noto 1) Initiastitements are recorded as journal entries with a description } misstatements: To write off federal receivables invlated to PY27 F internatio - Demain Fuks 100	Current Debit/(Credit) (Note 2)	Non-current Debit/(Credit) (Noto 2)	Liabilities Current Dobit/(Credit) (Note 2)	Liabilities Non-current Debit/Credit) (Note 2)	Equity components	current period OCI	effect of the perio	d Non	effect of the pr period Prior period
No.	Account (Note 1) (misstatements are recorded as journal entries with a description] misstatements: To write off Jederal receivables related to FY21 P	Current Debit/(Credit) (Note 2)	Non-current Debit/(Credit) (Noto 2)	Liabilities Current Dabit(Credit) (Note 2)	Liabilities Non-current Debit/Credit) (Note 2)	Equity components	current period OCI	effect of the perio	d Non	effect of the pr period Prior period
No. Factual SAD 01	Account (Note 1) (miselatements are recorded as journal entries with a description) misetalements: To write off federal receivables related to FY2F P referiad - Gameral Fuel 100 Due frost federal receivables related to FY2F P Due frost federal receivables related to FY2F P To recording amounts due from foderal agencies	Current Debit/(Credit) (Note 2) C27 for Actna Me (1,850.923)	Non-current Debit/(Credit) (Noto 2)	Liabilities Current Dabit(Credit) (Note 2)	Liabilities Non-current Debit/Credit) (Note 2)	Equity components	current period OCI	effect of the perio	d Non	effect of the pr period Prior period
No. Factual SAD 01	Account (Note 1) Initialization of the are recorded as journal entries with a description } misstatements: To write off federal neekvable unlated to PP27 F initiatia - one and 1:100 Date from federal agency To reconcile amounts due tron followal agencies waterdo - Gameria Tomi 100	Current Debit/(Credit) (Note 2) C27 for Astra Me (1.850.323) related to PUA	Non-current Debit/(Credit) (Noto 2)	Liabilities Current Dobit/(Credit) (Note 2) orded (not repor 3.650,923 7,942,770	Liabilities Non-current Debit/Credit) (Note 2)	Equity components	current period OCI	effect of the perio	d Non	effect of the pr period Prior period
No. Factual	Account (Note 1) (miselatements are recorded as journal entries with a description) misetalements: To write off federal receivables related to FY2F P referiad - Gameral Fuel 100 Due frost federal receivables related to FY2F P Due frost federal receivables related to FY2F P To recording amounts due from foderal agencies	Current Debit/(Credit) (Note 2) C27 for Actna Me (1,850.923)	Non-current Debit/(Credit) (Noto 2)	Liabilities Current Debit(Credit) (Note 2) orded (not repor 3.650,923	Liabilities Non-current Debit/Credit) (Note 2)	Equity components	current period OCI	effect of the perio	d Non	effect of the pr period Prior period
No. Factural SAD 01	Account (Moto 1) (mis statements are recorded as journal entries with a description) misstatements: Due four rise off rederal receivables m/stork to FY27 // Prefraids - General Fuel 100 Due from federal agency To recordiz amount sue from foderal agencies testands - General Fuel 100 Due from federal agency To correctly report federal agency To correctly report federal agency	Carrent Debit/(Credit) (Note 2) C27 for Actna M et (1.650.923) related to PUA (2.522.763)	Non-current Debit/(Credit) (Noto 2)	Liabilities Current Debit/(Credit) (Note 2) orded (not repor 3.650,923 7.942,770 (5.480,007)	Liabilities Non-current Debit/Credit) (Note 2)	Equity components	current period OCI	effect of the perio Debiti(Credit	Current d Ron taxabie	effect of the pr period Prior period
No. Factural SAD 01	Account (Note 1) Initialization offs are recorded as journal entries with a description } misstatements: To write off federal neekivables reliated to PP27 F initiatian - General Full 100 Date from Frostel agency To reconcile amounts due trom folderal agencies without - General Twin 100 Date from Frostel agency To correctly report federal program reimbursem Towsfrond	Carrent Debit/(Credit) (Note 2) C27 for Actna M et (1.650.923) related to PUA (2.522.763)	Non-current Debit/(Credit) (Noto 2)	Liabilities Current Debit/(Credit) (Note 2) orded (not repor 3.650,923 7.942,770 (5.480,007)	Liabilities Non-current Debit/Credit) (Note 2)	Equity components	current period OCI	effect of the perio	Current d Ron taxabie	effect of the pr period Prior period
No. Factual SAD 92 SAD 93	Ascount (Noto 1) Initialization offs are recorded as journal entries with a description } ministratements: To wrate off federal receivables invalided to PY2F F internation - Connect and the second second second Due front federal second To recorder amounts due from foderal agencies internation - General Twin 100 Due from federal second Due from federal second Due from federal second Due from federal second To correctly report federal program reimbursees Teacher out Revenue	Carrent Debit/(Credit) (Note 2) C27 for Actna M et (1.650.923) related to PUA (2.522.763)	Non-current Debit/(Credit) (Noto 2)	Liabilities Current Debit/(Credit) (Note 2) orded (not repor 3.650,923 7.942,770 (5.480,007)	Liabilities Non-current Debit/Credit) (Note 2)	Equity components	current period OCI	effect of the perio Debiti(Credit	Current d Ron taxabie	effect of the pr period Prior period
No. Factual SAD 91 SAD 92 SAD 93	Account (Note 1) Initialization offs are recorded as journal entries with a description } misstatements: To write off federal neekivables reliated to PP27 F initiatian - General Full 100 Date from Frostel agency To reconcile amounts due trom folderal agencies without - General Twin 100 Date from Frostel agency To correctly report federal program reimbursem Towsfrond	Carrent Debit/(Credit) (Note 2) C27 for Actna M et (1.650.923) related to PUA (2.522.763)	Non-current Debit/(Credit) (Noto 2)	Liabilities Current Debit/(Credit) (Note 2) orded (not repor 3.650,923 7.942,770 (5.480,007)	Liabilities Non-current Debit/Credit) (Note 2)	Equity components	current period OCI	effect of the perio Debiti(Credit	Current d Ron taxabie	effect of the pr period Prior period
No, Factual SAD 01 SAD 02 SAD 03 Judgm	Ascount (Noto 1) Initialization offs are recorded as journal entries with a description } ministratements: To wrate off federal receivables invalided to PY2F F internation - Connect and the second second second Due front federal second To recorder amounts due from foderal agencies internation - General Twin 100 Due from federal second Due from federal second Due from federal second Due from federal second To correctly report federal program reimbursees Teacher out Revenue	Carrent Debit/(Credit) (Note 2) C27 for Actna M et (1.650.923) related to PUA (2.522.763)	Non-current Debit/(Credit) (Noto 2)	Liabilities Current Debit/(Credit) (Note 2) orded (not repor 3.650,923 7.942,770 (5.480,007)	Liabilities Non-current Debt/(Credit) (Note 2) ted in PY SEFA)	Equity consponents Debit/(Credit)	current period OCI	effect of the perior DobititCredit 6,760,712	Surrent Bon tuxable	effect of the pr period Prior period
No, Factual SAD 91 SAD 92 SAD 93 Judgm- Total of	Account (Moto 1) (mis statements are recorded as journal entries with a description) misstatements: To write off federal resolvables related to FY27 /P Patriano - General Field 100 Due from federal agency To recording anound sub aroun foderal agencies bisfand - General Field 100 Due from federal agency Transfer out. Beenae multi mis statements: uncorrectly apport federal program reimburteen multi mis statements: uncorrectly apport federal program.	Carrent Debit/(Credit) (Note 2) C27 for Actna M et (1.650.923) related to PUA (2.522.763)	Non-current Debit/(Crosit) (Nots 2) dica! Benefits rec general fund exp	LubiPies Current Debrit(Crodit) (Kote 2) anded (not report 3,650,923 7,942,770 (5,420,007) and/tures	Liabilities Non-current Debit(Credit) (Note 2) 1ed in PY SEFA)	Equity components Debt/(Credit)	ewrent period OCI Debit/Crodit)	effect of the perior pe	serrent s Ron taxable	effect of the present
No. Factual SAD 91 SAD 92 SAD 92 SAD 93 Judgm. Total of	Account (Note 1) Initialization offs are recorded as journal entries with a description } missistements: To write off federal receivables invated to FY3F P internation - Connect Two100 Due front federal agency To recorder amounts due from foderal agencies internation - Connect Two100 Due from federal agency To correctly report federal program reimbursions Trainfer out Receivant ental missistatements;	Carrent Debit/Crediti (Note 2) C27 for Actina Mee (3.853.323) related to PEA (2.522.763) end for prior year (8.173.686)	Non-current Debit/Crodity (Noto 2) dical Benefits rec general fund exp c c c c c c c c c c c c c c c c c c c	Lubibites Current Bobstr(Craft) (Note 2) orded (not report 3,660,923 7,942,770 65,420,007) and/turet	Liabilities Non-current Debit(Credit) (Note 2) 1ed in PY SEFA)	Comby components Debit(Credit)	eurrent pened OCI DebititCredity	effect of the perior pe	surrent states states	effect of the provide the period Prior period Debit(Credit) to Debit(Credit) to Credit
No. Factual SAD 91 SAD 92 SAD 93 Judgmin Total of Finencial	Account (Moto 1) Initialization of the arc recorded as journal entries with a description) ministratements: To write off federal receivables inflated to FP2F F infrance. General Fund 100 Cour front federal gency To reconcile amounts due trom foleral agencies stander. General Fund 100 Cour front federal gency To correctly report federal program relimburien Transfer aut Bevense ental ministratements: uncorrected musistratements	Carrent. Debrit/Credit) (Note 2) C27 for Actina Mee (3,850,322), related to PUA (2,522,763) ent for prior year (6,173,856) (6,173,856)	Non-current Debis/Credit) (Nois 2) Sideal Benefits red Sideal Bene	Labibitos . Current Debatr(Crc401) (Rote 2) arded (not report 3,660,623 7,943,770 (5,420,007) ent/tures 6,173,880 6,173,880 (77,742,361)	Liabilities Non-current Debit(Credit) (Note 2) ted in PP SEFA)	Equity components Debit/Credit/	eurrent penod OCI DebittiCrediti	effect of the period	eurrent d'Anne haxable	effect of the prevent
No. Factual SAD 91 SAD 92 SAD 92 SAD 93 Judgm Total of Total of Firencia	Ascount (Moto 1) Initiastatements are recorded as journal entries with a description } Initiastatements: To wrate off federal receivable unlated to PV2F F initiastatements: To wrate off federal agency To recorde amonts due from foderal agencies instand - Gamesi Tutu 100 Due from federal agency To correctly report redural program reimbursen Transfer ou Beense Initiants tattements: uncorrected misstatements I statement mouths	Carrent Debit(Credit) (Note 2) C27 for Astro M // (3.850.823) related to PUA (3.52.163) int for prior year (3.572.666) 72,166.645	Non-current Debis(Credit) (Noto 2) dical Benefits ree general fund exp 0 0 0 0 0 0 0 0 0 0	Labibitos Current Debt/(Crodit) (Note 2) orded (not report 3,660,423 7,942,777 (5,470,007) (5,470,007) (5,470,007) (5,470,007) (7,742,000) (70,742,000) (70,742,0	Liabilities Non-arrent Debit/Credit (Note 2) ted in PT SEFA)	Equity components Debit/Credit/	eurrent penod OCI DebittiCrediti	effect of the period	Ron taxable	effect of the present
No. Factual SAD 91 SAD 92 SAD 92 SAD 93 Judgm Total of Total of Firencia	Ascount (Moto 1) Initiastatements are recorded as journal entries with a description } Initiastatements: To wrate off federal receivable unlated to PV2F F initiastatements: To wrate off federal agency To recorde amonts due from foderal agencies instand - Gamesi Tutu 100 Due from federal agency To correctly report redural program reimbursen Transfer ou Beense Initiants tattements: uncorrected misstatements I statement mouths	Current Debtf(Credit) (Note 2) (Rote 2) (Rote 2) (1,550,553) (1,550,553) (1,572,456) (1,57	Non-current Debts(Credit) (Noto 2) Sical Bandits rec general fund exp 0 0 0 0 0 0 0 0 0 0 0	LabibRes Current Current Debat/Credit) (Kots 2) orded (not report 3,660,623 7,942,770 (5,820,007) 6,6172,680 6,172,690 6,170,690 6,170,690 6,170,690 6,170,690 6,170,690 6,170,690 6,170,690 6,190 6,190 6	Liabilities Non-arrent Debit/Credit (Note 2) ted in PT SEFA)	Equity components Debit/Credit/	eurrent period OCI DebittiCrediti	effect of the period	Ron taxable	effect of the provide the provided of the prov
No. Factual SAD 91 SAD 92 SAD 93 Judgmin Total of Finencial	Ascount (Moto 1) Initiastatements are recorded as journal entries with a description } Initiastatements: To wrate off federal receivable unlated to PV2F F initiastatements: To wrate off federal agency To recorde amonts due from foderal agencies instand - Gamesi Tutu 100 Due from federal agency To correctly report redural program reimbursen Transfer ou Beense Initiants tattements: uncorrected misstatements I statement mouths	Current Debit(Credit) (Note 2) (27 for Astro & Me (1810 22) (2.522 165) (2.522 165) (2.525	Non-surrent Debis(credit) (Note 2) Sical Benefits reco Sical Benef	LiabiBite s. Current BehatriCredit) (Rote 2) orded (Incl report 3,650,923 7,942,776 6,540,007 6,540,007 6,540,007 6,572,505 6,172,505 7,195,505 7,195,505,505 7,195,505,505 7,195,505,505,505,505,505,505,505,	Liabilites Non-current Debit(Credit) (Note 2) ted in PP SEFA) 1 ed in PP SEFA) 0 ed in PP SEFA) 0 ed in PP SEFA)	Equity components Debit/Credit/	ewrent jeered OCI DebittiCrediti 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0	effect of the period of the pe	Ron taxable	
No. Factual SAD 91 SAD 92 SAD 92 SAD 93 Judgm Total of Total of Firencia	Ascount (Moto 1) Initiastatements are recorded as journal entries with a description } Initiastatements: To wrate off federal receivable unlated to PV2F F initiastatements: To wrate off federal agency To recorde amonts due from foderal agencies instand - Gamesi Tutu 100 Due from federal agency To correctly report redural program reimbursen Transfer ou Beense Initiants tattements: uncorrected misstatements I statement mouths	Current Debit(Credit) (Note 2) C27 for Asba Mee (3.855.327), related to PUA (3.522.763), related to PUA (3.522.763), related to PUA (3.522.763), related to PUA (3.522.763), related to Tub (3.522.763), related to Tub (3.522.763	Non-surrent Debis(storedt) (storedt) dical Benefits red general fund age 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0	Labibles Current Current Debrt(Credit) (flote 2) 7,942,770 6,970,007 6,970,007 6,970,007 6,970,007 7,942,770 6,970,007 6,970,007 9,900,007 6,972,000 7,942,770 6,970,007 6,970,007 6,970,007 6,970,007 7,942,770 6,970,007 6,970,007 7,942,770 6,970,007 6,970,007 7,942,770 6,970,007 6,970,007 6,970,007 7,942,770 6,970,007 6,970,007 7,942,770 6,970,007 7,942,770 6,970,007 7,942,770 6,970,007 7,942,770 7,942,770 6,970,007 7,942,770 6,970,007 7,942,770,770 7,942,7700 7,942,7700 7	Liabilites Non-current Debit(Credit) (Note 2) ted in PP SEFA) 1 ed in PP SEFA) 0 ed in PP SEFA) 0 ed in PP SEFA)	Equity components Debit/Credit/	eurrent period OCI DebittiCrediti	effect of the period of the pe	Ron taxable	effect of the pre- period Prior period Debit(Credit) 1/2
No. Factual SAD 91 SAD 92 SAD 92 SAD 93 Judgm Total of Total of Firencia	Ascount (Moto 1) Initiastatements are recorded as journal entries with a description } Initiastatements: To wrate off federal receivable unlated to PV2F F initiastatements: To wrate off federal agency To recorde amonts due from foderal agencies instand - Gamesi Tutu 100 Due from federal agency To correctly report redural program reimbursen Transfer ou Beense Initiants tattements: uncorrected misstatements I statement mouths	Current Debt(Credit) (Credit) (Credit) (1.850.823) (1.950.823) (1.	Non-surrent Debis(credit) (Note 3) Sical Benefits rec sical Benefits	LiabiBres Current DebatriCr-reditj (Kote 2) 7,942,770 (5,470,007) 7,942,770 (5,470,007) 6,6173,680 (7774,361) 7,745 (7774,361	Liabilities Non-current Debit(Credit) (Note 2) teal in PF SEFA) teal in PF SEFA)	Equity components Debit/(Credit)	eurrent perced 502 DebititCredit D 0 0 0 0 0 0 0 0 0 0 0 0 0 0	effect of the period of the pe	Ron taxable	effect of the pro- period Proor period Debiti(Credit) tr
No. Factual SAD 91 SAD 92 SAD 92 SAD 93 Judgm Total of Total of Firencia	Ascount (Moto 1) Initiastatements are recorded as journal entries with a description } Initiastatements: To wrate off federal receivable unlated to PV2F F initiastatements: To wrate off federal agency To recorde amonts due from foderal agencies instand - Gamesi Tutu 100 Due from federal agency To correctly report redural program reimbursen Transfer ou Beense Initiants tattements: uncorrected misstatements I statement mouths	Current Debit(Credit) (Note 2) C27 for Astena Medi (1850 2027) related to FUA (2.522 765) related to F	Non-surrent Debit(sreath) (Note 2) Sical Benefits received (Note 2	Liabilities Current Current DebatyCredit) (Kote 2) 7,442,770 cl.426,067 enorthures 6,172,680 6,172,680 (77,486,067) enorthures 6,172,680 (77,486,067) enorthures 6,172,680 (77,486,067) enorthures 6,172,680 (77,486,067) enorthures 6,172,680 (77,486,067) enorthures 6,172,680 (77,486,067) enorthures 6,172,680 (77,486,067) enorthures 6,172,680 (77,486,067) enorthures 6,172,680 (77,486,067) enorthures 6,172,680 (77,486,067) enorthures 6,172,680 (77,486,077) enorthures 6,172,680 (77,487,070) enorthures 6,172,680 (77,480,077) enorthures 6,172,680 (77,480,077) enorthures 6,172,680 (77,480,077) enorthures 6,172,680 (77,480,077) enorthures 6,172,680 (77,480,077) enorthures 6,172,680 (77,480,077) enorthures 6,172,680 (77,480,077) enorthures 6,172,680 (77,480,077) enorthures 6,172,680 (77,480,077) enorthures 6,172,680 (77,480,077) enorthures 6,172,680 (77,480,077) enorthures 6,172,680 (77,480,077) enorthures 6,172,680 (77,480,077) enorthures 6,172,680 (77,480,077) enorthures 6,172,680 (77,480,077) enorthures 6,172,680 (77,480,077) enorthures 6,172,680 (77,480,077) enorthures 6,172,680 (77,480,077) (77,480,	Liabilities Non-current Debit(Credit) (Note 2) ted in PF SEFA) ted in PF SEFA) of 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0	Equity components Debit/(Credit)	ewrent jeered OCI DebittiCrediti 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0	elficit of the period	Control of the second sec	effect of the property of the
No. Factual SAD 91 SAD 92 SAD 92 SAD 93 Judgm Total of Total of Firencia	Ascount (Moto 1) Initiastatements are recorded as journal entries with a description } Initiastatements: To wrate off federal receivable unlated to PV2F F initiastatements: To wrate off federal agency To recorde amonts due from foderal agencies instand - Gamesi Tutu 100 Due from federal agency To correctly report redural program reimbursen Transfer ou Beense Initiants tattements: uncorrected misstatements I statement mouths	Current Debt(Credit) (Credit) (Credit) (1.850.823) (1.950.823) (1.	Non-surrent Debit(sreath) (Note 2) Sical Benefits received (Note 2	LiabiBites Current Current DebatyCredit) (Kots 2) 7,942,770 (Kate 2) 7,942,770 (Kate 2) 7,942,770 (Kate 2) 7,942,770 (Kate 2) 8,072,020 (Kate 2) (7,742,007) 6,072,000 (Kate 2) (7,742,007) 6,072,000 (Kate 2) (7,742,007) 6,072,000 (Kate 2) (Kate 2)	Liabelines Non-current Debit(Credit) (Note 2) ted in PP SEFA) 100 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0	Eenily components Debtr(Credit)	eurrent perced OCE Debitit Credit 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0	effect of the period of the pe	Ron taxable	effect of the property of the
No. Factual SAD 91 SAD 92 SAD 93 Judgmin Total of Finencial	Ascount (Moto 1) Initiastatements are recorded as journal entries with a description } Initiastatements: To wrate off federal receivable unlated to PV2F F initiastatements: To wrate off federal agency To recorde amonts due from foderal agencies instand - Gamesi Tutu 100 Due from federal agency To correctly report redural program reimbursen Transfer ou Beense Initiants tattements: uncorrected misstatements I statement mouths	Current Debit(Credit) (Note 2) C27 for Astena Medi (1850 2027) related to FUA (2.522 765) related to F	Non-surrent Debis(rote) ((of c 2)) dical Bendits rec general fund app general fund app gen	Labibities Current Debaty(Credit) (Rote 2) 7,942,770 7,942,770 7,942,770 7,942,770 7,942,770 7,942,770 7,942,770 7,942,770 4,172,000 6,173,000 6,173,000 7,7722,500 7,7742,500 7,740,772,500 7,740,772 7,740,7740,7740,7740,7740,7740,7740,774	Liabilities Non-surrent Debit(Credit (Note 2) ted in PT SEFA) ted in PT SEFA) of the set of the set of the set of the set of the set of the set	Equity components Debit/(Credit)	eurrent perced OCE Debitit Credit 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0	elficit of the period	Image: state	effect of the property of the
No. Factual SAD 91 SAD 92 SAD 93 Judgmin Total of Finencial	Ascount (Moto 1) Initiastatements are recorded as journal entries with a description } Initiastatements: To wrate off federal receivable unlated to PV2F F initiastatements: To wrate off federal agency To recorde amonts due from foderal agencies instand - Gamesi Tutu 100 Due from federal agency To correctly report redural program reimbursen Transfer ou Beense Initiants tattements: uncorrected misstatements I statement mouths	Current Debit(Credit) (Note 2) (27 for Asba & Ma (3.855.323) related to PUA (2.522.763) int for prior year (6.172.686) (6.172.686) (7.166.632) 7.266.633 (7.266) (7.26	Non-surrent Debistyreath and the second second and the second second second second and the second second second second and the second second second second second and the second second second second second and the second second second second second second and the second second second second second second second and the second second second second second second second second and the second sec	Labibities Current Debaty(Credit) (Rote 2) 7,942,770 7,942,770 7,942,770 7,942,770 7,942,770 7,942,770 7,942,770 7,942,770 6,172,080 6,173,080 6,173,080 6,173,080 6,173,080 7,7722,500 7,7742,500 7,740,772 7,740,7740,7740,7740,7740,7740,7740,774	Liabilities Non-surrent Debit(Credit (Note 2) ted in PT SEFA) ted in PT SEFA) of the set of the set of the set of the set of the set of the set	Equity components Debit/(Credit)	ewrent period OCI Debitit Credit 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0	elficit of the period	Image: state	effect of the property of the

Appendix A - Schedule of Uncorrected Misstatements, continued

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Appendix B – Schedule of Corrected Misstatements

Entity:	Government of Guam - Government Wide			Period ended:	30-Sep-2022	Currency:	USD]					
Corre	ted misstatements	-		Analysis	of misstatemer	nts Debit/(Cred	it)						
No.	Account	Assets Current	Assets Non-current	Liabilities Current	Liabilities Non-current	Equity components	Effect on the current period OCI	Income state effect of the perio	current				
	(misstatements are recorded as journal entries with a description)	Debit/(Credit)	Debit/(Credit)	Debit/(Credit)	Debit/(Credit)	Debit/(Credit)	Debit/(Credit)	Debit/(Credit)	Non taxabi				
AJE 1	To adjust capital assets to reflect current	year additions,	transfers and	depreciation bas	ed on supportin	ng subsidiary s	chedule.						
	Construction in progress		25,759,091										
	Machinery and equipment		3,152,934										
	Buildings and improvements		3,577,167										
	Other depreciable assets		12,146,695										
	Accumulated depreciation		(61,481,737)	()									
	Net position	1						16,845,850					
AJE 2	To adjust GDOE capital leases and related	accounts to n	effect the amou	nt as of Septemb	er 30, 2022.								
	Notes and Bonds Payable				7,892,999								
	Net position					(7,892,999)		_					
AJE 3	To adjust the pension related amounts bas	sed on the aud	ited Pension Sc	hedules for the r	neasurement pe	ariod anded Se	otember 30, 20,	21.					
	Net pension liability				189,643,218								
	Deferred outflows from pension		(62,175,581)										
	Deferred inflows from pension				(73,010,363)		1						
	Net position					(54,457,274)							
A IF A	To adjust the OPEB related amounts base	d on the audite	d ODER School	ulor for the mass	uramont parior	Londord Sonton	bar 10 2021						
1.52.4	Deferred inflows from OPEB	a on the abont	U OFED Sched	ures for the meas	180,040,480	enord septem	50, 2027.						
	Net position				100,040,400	46,742,466			-				
	OPEB liability	-			(167,726,120)	40,142,400			-				
	Deferred outflows from OPEB		(59.056.826)		(107,720,120)								
	A second particular and a second participants of the se				47-14				-				
AJED	To recognize current year bond premium	additions, amo	ruzauon s add	ontional amoruza	ition.	61,479.628			_				
	Net position Notes and Bonds Payable		-		(61,479,628)	61,479,628			-				
	A construction of the second designed as	-		()	(01,479,020)								
AJE 6	To adjust the bond defeasance as of Septe	mber 30, 2022.											
	Net position		-			9,334,164							
	Notes and Bonds Payable				(9,334,164)								
AJE 7	To adjust accrued interest related to bond	s as of Septem	ber 30, 2022.										
	Notes and Bonds Payable		(1	1,155.669								
	Net position					(1,155,669)							
AJE 8	To adjust GASB 18 accrual for landfill.												
	Net position			1		712.553							
	Long term debt				(712,553)								
			17	7					-				
AJE 9	To record GASB 87 Lease Liabilities	-	00.000.000										
	Right-to-use Assets Lease liability		28,983,053		(22,180,199)				-				
	Accumulated Depreciation	-	(8.221,584)		(SE 390 199)	-							
			(0.221,004)					1 410 700	-				
	Amortization Expense 1,418,730												
RJE 1	To capitalize CWIP related to project GU-THS-0001(133) that was already completed as of September 30, 2022.												
	Other depreciable assets		9,124,493										
	Construction in Progress		(9,124,493)										
	Other Governmental Fund												
		(7,650,120)		23,278,954	(15,713,223)	(14,585,425)		84,389					
otal of	corrected misstatements before income tax	(7.650,120)	(117.316,788)	23,278,954	28.576.116	40,177,444	0	18,348,969	1				
	VE SERVE CERTIFICATE							- Contraction of the second					
nanci	al statement amounts	2,397,690,000	661,102,000	(4,878,082,000)	(522,570,000)	2,341,859,000		122,341,000					
ffect o	f corrected misstatements on F/S amounts	-0.3%	-17.7%	-0.5%	-5.5%	1.7%		15.0%	9				

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	승규는 한 방법은 것을 알았는 것은 것은 것은 것을 모양하는 것은 것이다.											
'age	e 18 of 21											
Com	nunication schedule for corrected mis	statements										
Entity:	Government of Guam - General Fund]	2	Period ended:	30-Sep-2022	Currency:	USD	l.				
Corre	cted misstatements	Analysis of misstatements Debit/(Credit)										
No.	Account	Assets Current	Assets Non-current	Liabilities Current	Liabilities Non-current	Equity components	Effect on the current period OCI	Income stat effect of the period	curren			
	(misstatements are recorded as journal entries with a description)	Debit/(Credit)	Debit/(Credit)	Debit/(Credit)	Debit/(Credit)	Debit/(Credit)	Debit/(Credit)	Debit/(Credit)	Non taxabi			
AJE 1	To adjust delinquent receivables per DRT	far receivable	summary									
	Delinquent GRT Receivable	5.041,431						1				
	Delinquent Income Tax Receivable	(2.507,983)										
	Allowance for delinquent tax receivables	(2,533,448)										
í otal e	of corrected misstatements before income	0	0	0	0	0	0	0				
	ial statement amounts	536,853,628		(401,385,418)		(135,468,210)		105,117,070				
0.00			in and the second s			and the second se						
enect	of corrected misstatements on F/S amount	0.0%	0.0%	0.0%	0.6%	0.0%		0.0%				
Comr	nunication schedule for corrected mis	statements										
Entity:	GovGuam - Federal Grants Assistance Fund	ĺ.		3	2		USD	ť.				
		2		Period ended:	30-Sep-2022	Currency:	050	l,				
20110	cted misstatements			2011		ents Debit/(Cr						
20110	cted misstatements Account	Assets Current	Assets Non-current	2011		ents Debit/(Cro		Income stat effect of the perio	curren			
Corre		Current	Assets Non-current	Analysis Liabilities Current	of misstatem Liabilities Non-current	ents Debit/(Cro Equity components	edit) Effect on the current period OCI	Income stat effect of the	curren 3 Non			
No.	Account (misstatements are recorded as journal entries with a description)	Current	Assets Non-current	Analysis Liabilities Current	of misstatem Liabilities Non-current	ents Debit/(Cro Equity components	edit) Effect on the current period OCI	Income stat effect of the perio	curren d Non			
Corre	Account (misstatements are recorded as journal entries with a description) To record SNAP and EBT	Current	Assets Non-current	Analysis Liabilities Current	of misstatem Liabilities Non-current	ents Debit/(Cro Equity components	edit) Effect on the current period OCI	Income stat effect of the perio Debit/(Credit)	curren 1			
No.	Account (misstatements are recorded as journal entries with a description)	Current	Assets Non-current	Analysis Liabilities Current	of misstatem Liabilities Non-current	ents Debit/(Cro Equity components	edit) Effect on the current period OCI	Income stat effect of the perio	curren d Non			
No.	Account (misstatements are recorded as journal entries: with a description) To record SNAP and EBT Expenditures Revenue	Current Debit/(Credit)	Assets Non-current Debit/(Credit)	Analysis Liabilities Current Debit/(Credit)	of misstatem Liabilities Non-current Debit/(Credit)	ents Debit/(Cre Equity components Debit/(Credit)	edit) Effect on the current period OCI Debit/(Credit)	Income stat effect of the perio Debiti(Credit) 159,609,709 (159,609,709)	curren d Non			
No.	Account (misstatements are recorded as journal entries with a description) To record SNAP and EBT Expenditures	Current Debit/(Credit)	Assets Non-current Debit/(Credit)	Analysis Liabilities Current Debit/(Credit)	of misstatem Liabilities Non-current Debit/(Credit)	ents Debit/(Cre Equity components Debit/(Credit)	edit) Effect on the current period OCI Debit/(Credit)	Income stat effect of the perio Debit/(Credit) 159,609,709 (159,609,709) 0	curren d Non			
RJE 1	Account (misstatements are recorded as journal entries: with a description) To record SNAP and EBT Expenditures Revenue	Current Debit/(Credit)	Assets Non-current Debit/(Credit)	Analysis Liabilities Current Debit/(Credit)	of misstatem Liabilities Non-current Debit/(Credit)	ents Debit/(Cre Equity components Debit/(Credit)	edit) Effect on the current period OCI Debit/(Credit)	Income stat effect of the perio Debiti(Credit) 159,609,709 (159,609,709)	curres d Nor			

Government of Guam Letter of Representations Page **19** of **21** November 20, 2023

Appendix B - Schedule of Corrected Misstatements, continued Communication schedule for corrected misstatements Entity: Government of Guam - Other Govt Funds Period ended: 30-Sep-2022 Currency: USD Corrected misstatements Analysis of misstatements Debit/(Credit) Effect on the current period OCI Assets Current Assets Non-current Liabilities Non-current Liabilities Equity e statem effect of the current Account Current omponents period (misstatements are recorded as jou entries with a description) ebit/(Credit Debit/(Credit) Debit/(Credit (Credit) taxab To adjust Fund 679 (PUA) Receivables-Other RJE 1 23,278,954 Deferred revenue To record GASB 87 AR Leases AJE 1 Recievable-Leases Deferred inflows-Leases Revenues 15,628,834 84,389 Expenditures Total of corrected misstatements before income t (7,650,120) 0 23,278,954 84,389 191,761,144 2,770,519 Financial statement amounts 0 (70 Effect of corrected misstatements on F/S amon -4.0% 0.0% -32.9% 98.8% 0.0% 3.0%

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Appendix C – Subsequent Events

Subsequent Events Questionnaire

Coverage: For the period from October 1, 2021 to Auditor report date

	Questions
1	Have there been any business combinations, acquisitions of significant assets, segment disposals, disposals of significant assets or extraordinary, unusual or infrequently occurring transactions, except as disclosed in the financial statements? Answer: NO
2	Have any significant contingent liabilities or commitments arisen, except as disclosed in the financial statements? Answer: NO
3	Have any significant changes occurred in trends in sales/revenues or costs that could affect accounting estimates (e.g., valuation of receivables or inventories, realization of deferred charges, provisions for warranties or employee benefits or unearned income)? Answer: NO
4	Have any significant changes occurred, or are pending, in the capital accounts, long term debt, including debt covenants and compliance with them, or working capital, except as disclosed in the financial statements? Answer: NO
5	Have any significant changes occurred in the status of items, including contingent liabilities and commitments that were accounted for on the basis of tentative, preliminary or inconclusive data? Answer: NO
6	Have any significant unusual or non-recurring adjustments been recorded (or are necessary)? Answer: NO
7	Have any communications, written or oral, occurred with regulatory agencies with which the entity files financial statements? Answer: NO
8	Have there been any changes in the entity's related parties? Answer: NO
9	Have any significant new related party transactions occurred? Answer: NO
10	Have any other events occurred, other than those disclosed in response to the previous questions or those reflected or disclosed in the financial statements that could have a material effect on the audited financial statements? Answer: NO
11	Are you aware of any fraud or suspected fraud affecting Government of Guam involving (1) management, (2) employees who have significant roles in internal control or (3) others, when the fraud could have a material effect on the financial statements? Answer: NO
12	Are you aware of any allegations of financial improprieties, including fraud or suspected fraud (regardless of the source or form and including, without limitation, allegations by "whistle-blowers"), when such allegations could result in a misstatement of the financial statements or otherwise affect the financial reporting of Government of Guam? Answer: NO

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13 Are you aware of any close relationships, or business employment or other relationships that could bear on EY's independence (e.g. business/financial relationships, litigation with EY, family relationship, employment, loans, cooperative arrangements, etc.)? Answer: NO