



**Financial Highlights**  
**Guam Department of Education Financial Audit**  
**Fiscal Year 2023**

November 11, 2024

The Guam Department of Education (GDOE) received unmodified (clean) opinions from independent auditors, Ernst & Young LLP, on their fiscal year (FY) 2023 financial statements and compliance for the Economic, Social, and Political Development of the Territories and the Head Start major federal programs. Still, GDOE received a qualified opinion on all other major federal programs. GDOE remains a high-risk grantee with the U.S. Department of Education (ED) for the past 21 years. The auditors identified:

- Three material weaknesses in GDOE’s internal control over financial reporting and compliance;
- Six material weaknesses and seven significant deficiencies in GDOE’s internal control over compliance on major federal programs, which attributed to \$584 thousand (K) in questioned costs; and
- Eight deficiencies in GDOE’s internal control over financial reporting in a management letter.

In FY 2023, GDOE closed with a \$141K decrease in net position compared to the \$21.2 million (M) increase in net position in FY 2022 in its department-wide financial statements. Significant highlights in GDOE’s financial audit include:

- FY 2023 Financial Audit Issuance Significantly Delayed;
- GDOE Management Team Experienced Increased Turnover and Instability;
- Revenues decreased by \$13.0M, with a Corresponding Decrease of \$6.4M in Expenditures;
- FY 2023 Local Appropriations Increased by \$34.4M and Breakdown of FY 2023 Appropriations by 14 Points Mandates;
- Number of Locally and Federally Funded Employees Decreased;
- High Risk Grantee Status, End of Third Party Fiduciary Agent, and ED Federal Fiscal Year (FFY) 2024 Specific Conditions; and
- GDOE’s Corrective Action Plan to Address Material Weaknesses and Significant Deficiencies.

**FY 2023 Financial Audit Issuance Significantly Delayed**

GDOE’s FY 2023 financial audit issuance was significantly delayed due to the late closing of its books. While the fiscal year ends on September 30<sup>th</sup>, GDOE targets to close its books by November 15<sup>th</sup>, 45 days after the fiscal year end. For FY 2023, GDOE did not close its books until December 12, 2023, and the Schedule of Expenditures of Federal Awards (SEFA) was provided to the auditors on May 6, 2024. The final SEFA could not be completed until a \$1.8M adjustment was made to correct drawdowns for FY 2023 that occurred in FY 2024. The finalization of GDOE’s financial statement close for FY 2023 was further delayed as GDOE management requested for extensions in order to have the new Comptroller review, reconcile and approve year end trial balances and final SEFA and Schedule of Federal Receivables and Deferrals.

### **GDOE Management Team Experienced Increased Turnover and Instability**

In just one fiscal year, GDOE has experienced increased turnover and instability of its management team. In July 2023, GDOE transitioned into new leadership under Superintendent Dr. K. Erik Swanson after 10 years of leadership under former Superintendent Jon Fernandez. Then, in October 2023, GDOE filled its Deputy Superintendent of Finance and Administrative Services (DFAS) position, which had been vacant since 2021. The position was vacated just six months later in April 2024 and a new DFAS appointed in July 2024.

Other leadership positions, such as GDOE's Comptroller and Deputy Superintendent of Educational Support and Community Learning (ESCL), have seen the same instability. The Comptroller position was vacated in October 2023, filled in January 2024, and vacated once again in April 2024. As of September 2024, this position remains vacant. The Deputy Superintendent of ESCL was filled in October 2023, was vacated in March 2024, and is currently filled through detailed appointment.

### **Revenues Decreased by \$13.0M, Expenditures Decreased by \$6.4M**

Total revenues decreased by \$13.0M, from \$390.8M in FY 2022 to \$377.8M in FY 2023, largely due to a \$46.0M decrease in federal grant funding. In FY 2023, GDOE experienced an overall decrease in federal grant awards of \$150K compared to FY 2022. The overall decrease is primarily due to the lack of additional grant funding from the U.S. Department of Interior in FY 2023 compared to a \$2.7M award in FY 2022, and is offset by increases in grants from ED, the U.S. Department of Agriculture, and the U.S. Department of Health and Human Services totaling \$2.5M. In FY 2023, local appropriations from the Government of Guam (GovGuam) increased by \$35.6M, but GDOE experienced revenue decreases of \$1.9M in federal indirect cost reimbursements, \$1.1M in fees and other program receipts, and \$450K in contributions from component units.

GDOE's total expenditures decreased by \$6.4M, from \$383.1M in FY 2022 to \$376.7M in FY 2023. The overall decline in expenditures was largely due to decreases of \$38.5M in supplies, \$1.8M in contractual, and \$220K in scholarships. These decreases in expenditures were mainly offset by increases in salaries and wages of \$11.0M, benefits of \$8.0M, food management contract of \$3.8M, power and water of \$3.1M, and capital lease payments of \$2.7M.

### **FY 2023 Local Appropriations Increased by \$34.4M**

Pursuant to the FY 2023 Budget Act or Public Law (P.L.) 36-107, GDOE appropriations in FY 2023 totaled \$246.6M, which is \$34.4M more than the FY 2022 appropriations of \$212.2M.

The \$35.6M increase in authorized spending included the following:

- \$26.7M increased funding from the General Fund (GF) to fund operations;
- \$6.7M additional funding from the GF to fund the General Pay Plan 22% pay increase;
- \$1.0M increase from the Guam Educational Facilities Fund to fund operations;
- \$1.5M increase for the John F. Kennedy High School (JFKHS) lease and refinancing of the Certificates of Participation Series 2010A for JFKHS; and
- \$925 increase for the Okkodo High School lease payments.

Decreased funding for line item appropriations from the GF and Special Funds appropriations offset the overall increase as follows:

- \$500K less from the GF for salary increments;
- \$971K in un-renewed funding for nurse pay increases and an educator pay wage study;
- \$76K decrease in appropriation for the Public Library Resource Fund, which provides funding for school libraries for books, equipment, and supplies; and
- \$62K decrease in appropriation for the Limited Gaming Fund, which provides funding for the repair and construction of GDOE sports facilities and for the procurement of sports equipment and supplies.

### **Breakdown of FY 2023 Appropriations by 14 Points Mandates**

In June 2005, P.L. 28-45 established the “Every Child is Entitled to an Adequate Public Education Act” (Adequate Education Act). Pursuant to Title 1 of the Guam Code Annotated (GCA) § 715(l) and 17 GCA § 3126, the Guam Education Board utilizes the 14 point mandates of the Adequate Education Act as a basis for prioritizing GDOE’s operational spending in the areas of curriculum, safety, and facilities. The table below illustrates how GDOE prioritized its FY 2023 local appropriations by the 14 Points mandates.

	<b>Mandate</b>	<b>Amount</b>
1	A certified teacher for every class in a ratio established by relevant collective bargaining agreements	\$153,482,308
2	Certified Professional Administrators	\$10,898,463
3	Certified Guidance Counselors	\$7,940,100
4	Certified School Health Counselors	\$4,560,264
5	Certified Allied Health Professionals	\$885,337
6	Air Conditioned or properly ventilated classrooms in which the sensible air temperature is no greater than 78 degrees	\$57,022
7	Potable water sufficient to provide each student a daily ration of drinking and washing water	-
8	A reliable source of electricity	\$402,415
9	Proper sanitation to include flushable toilets, clean restrooms, dining areas and classrooms	\$243,374
10	Adopted and required textbooks and workbooks issued to each public school student for the classes in which he or she is enrolled	\$1,500,000
11	Libraries, which meet the standards of the American Association of School Librarians, at each school, operated by certified librarians	\$4,694,649
12	A healthful, safe, sanitary learning environment	\$38,751,982
13	At least 180 instructional days each school year with school years ending no later than 30 days following the end of the calendar school year	\$8,958,232
14	Regular, timely school bus transportation to and from school	\$246,169
	<b>Total</b>	<b>\$232,620,315</b>

### **Locally and Federally Funded Employees Decreased**

As of September 2023, the overall number of GDOE employees decreased by 64 from 3,471 employees in FY 2022 to 3,407 in FY 2023. The number of locally funded employees decreased by 8, federally funded employees decreased by 61, and employees funded by both local and federal funds increased by 5. Increases in personnel costs by \$19.0M in FY 2023 can be attributed to the

enactment of P.L. 37-03 in March 2023, which adjusted the GovGuam General Pay Plan by 22%. GDOE implemented this change for eligible employees in May 2023.

The decrease in federally funded employees was mainly due to the approaching expiration of COVID-19 relief funds, specifically the American Rescue Plan (ARP), on September 30, 2024. GDOE utilized ARP funds to hire limited-term, full-time educational, professional, administrative, and technical personnel to support the needs of teachers and students in addressing academic learning loss due to pandemic restrictions and providing outreach services to underrepresented families. The number of GDOE employees funded by ARP decreased to 74 in FY 2023 compared to 129 in FY 2022. GDOE can anticipate further decrease in overall federally funded employees as the employment terms for ARP personnel conclude with the expiration of the grant at the end of FY 2024.

### **High Risk Grantee Status, End of TPFA and ED FFY 2024 Specific Conditions**

#### *High Risk Grantee Status*

FY 2023 marked the 11<sup>th</sup> year that GDOE incurred local expenditures associated with addressing its high-risk grantee status by ED. The high risk designation and imposition of specific conditions only pertains to ED grants awarded to GDOE.

In December 2022, ED acknowledged GDOE's progress by informing GDOE that it could begin a six-month probationary period in which GDOE can demonstrate the readiness to transition fiscal management functions from the Third Party Fiduciary Agent (TPFA) back to GDOE. In March 2023, GDOE submitted a six-month Transition Plan to ED detailing the roles and responsibilities that would be assumed by GDOE during this six-month period. The probationary period was approved to begin on April 1, 2023 and to conclude on October 1, 2023.

#### *End of TPFA*

Because of a successful six-month probationary period and on-site monitoring visit, ED removed the specific condition requirement for a TPFA in October 2023, resulting in saving millions of dollars in local funds. Since the removal of the TPFA, GDOE has maintained a fully staffed business office. However, there has been a large turnover in leadership in the business office with the hiring and subsequent resignation of the DFAS and the Comptroller within a one-year period. As of report date, the DFAS position has been filled, but the Comptroller position is still vacant. The Financial Affairs Division staffing over the last three years has been steady and slightly increased from FY 2023 to FY 2025, with current staffing at 24 employees.

#### *ED FFY 2024 Specific Conditions*

In July 2024, ED issued GDOE's FFY 2024 Specific Conditions, which not only removed the TPFA requirement, but also emphasized the GDOE's Internal Audit Office (IAO) structure, establishing the office as an independent reviewer of all GDOE internal processes to ensure accountability, transparency, and proper oversight of GDOE. ED listed a new specific condition requiring that GDOE IAO and the Guam Office of Public Accountability conduct periodic audits to ensure oversight and accountability of GDOE's management of ED funds. However, GDOE IAO is experiencing critically low staffing. GDOE IAO's additional responsibilities include the review of drawdowns and monthly reporting to ED on the status of grants relative to financials, drawdowns, employee time tracking, procurement, property management, and internal controls.

The other FFY 2024 specific conditions are relative to:

- Expending federal funds for allowable costs;
- Charging grants for obligations within the period of availability and liquidating within 120 days after the end of the funding period or within authorized extension period;
- Establishing and maintaining an effective employee time tracking process;
- Within 24 hours, accept/reject goods or services and draw funds for vendor payment; and
- Ensuring property management procedures are in compliance with federal regulations.

### **Material Weaknesses Found in GDOE's Internal Control over Financial Reporting**

The auditors identified **three material weaknesses** relative to GDOE's internal control over financial reporting as follows:

- 1. Finding 2023-001 Federal Grants Fund Receivables, Revenues, Expenditures, and Accounts Payable**, auditors noted that a **final Schedule of Expenditures and Federal Awards (SEFA) was provided to the auditors on September 20, 2024, over 11 months after fiscal year end, to correct \$1.8M in understated SEFA expenditures** from ALN 10.555, Child Nutrition Cluster Program. **Federal grants fund receivable reconciliations were still ongoing 11 months after fiscal year end.**

This condition occurred because the GDOE Financial Affairs Division is limited with qualified and trained personnel to reconcile federal related accounts (amounts due to and from federal agencies, federal grants and contributions, and federal expenditures) and determine collectability of amounts due from grantors. Furthermore, the absence of stable management at the Financial Affairs Division caused further delay with the fiscal year close out. Oversight from the GDOE IAO was necessary to obtain the final SEFA and the related receivable balances due from federal agencies.

The auditors recommended that the GDOE Financial Affairs Division should consider training and assigning accountants that are qualified to manage and regularly monitor federal grants receivables to ensure collection within a reasonable period.

- 2. Finding 2023-002 Financial Statement Close Process**, auditors identified the following six conditions:
  - Liabilities related to financed purchases of schools were overstated by approximately \$9.0M based on the corresponding amortization schedules.
  - Net pension liability was understated by approximately \$134.8M based on the schedule of employer allocations and schedule of pension amounts by employer for the measurement period ended September 30, 2022.
  - Amounts paid by GovGuam on behalf of GDOE amounting to approximately \$12.0M for retiree healthcare benefits and \$2.9M for Okkodo lease payments were not recorded in the statement of revenues, expenditures, and changes in fund balances in the General Fund and statement of net changes in the governmental activities as revenue with a corresponding expense or expenditure.
  - Compensated absences payable and accrued sick leave liability were not adjusted to reflect the year end balances and are understated by \$870K and \$922K, respectively.
  - Federal Grants Assistance Fund expenditures and accruals were overstated by \$185K due to prior year accruals that were not adjusted in current year.
  - Other Postemployment Benefits (OPEB) were overstated by \$125.7M based on the

schedule of employer shares (allocations) by component unit for the measurement period ended September 30, 2022.

These conditions occurred due to an absence of qualified and trained personnel in the Financial Affairs Division to monitor and review the accuracy and completeness of recorded transactions during the year-end closing process and to comply with Standard Operating Procedures 200-034. Furthermore, the absence of stable and qualified management at the Financial Affairs Division caused further delay with the fiscal year close out. Oversight from GDOE IAO was necessary to complete this process.

The auditors recommended that GDOE management should consider training existing Financial Affairs Division personnel to monitor and review the accuracy and completeness of recorded transactions at each closing period.

**3. Finding 2023-003 Budget**, auditors noted the following:

- As of September 23, 2024, budgets for FY 2023 appropriation budget accounts were still available and not obligated for certain funds.
- As of September 23, 2024, budgets for FY 2023 appropriation budget accounts exceeded available funding for personnel related costs. No alternative sources of available funding were identified to cover this shortfall.
- As of September 26, 2024, budgets for FY 2023 appropriation budget accounts continued to incur expenditures during FY 2024.

These conditions occurred because GDOE did not monitor their FY 2023 budget accounts and transfer unfunded expenditures and encumbrances to available funds as authorized.

The auditors recommended that GDOE management should monitor budget accounts at least on a monthly or biweekly basis to identify if shortfalls from payroll runs are present and if the need to transfer to available and allowable funding is necessary. Additionally, if there are unexpended or unencumbered appropriations made from the General Fund, Healthy Futures Fund, and Guam Education Facilities Fund by a GG1, purchase order, or contract, such funds should revert back to the respective funds on the last day of FY 2023.

**Material Weaknesses and Significant Deficiencies Found in GDOE’s Internal Control over Compliance on Major Federal Programs**

The auditors identified **six material weaknesses, seven significant deficiencies, and questioned costs totaling \$584K** relative to GDOE’s internal control over compliance on major federal programs as listed below. GDOE IAO assisted and successfully cleared approximately \$7.1M in questioned costs.

**Material Weaknesses**

- 1. Finding 2023-004, Eligibility under Child Nutrition Cluster:** As of September 30, 2024, the annual notification for School Year (SY) 2022-2023 is not published on GDOE’s website. The most recent publication is for SY 2021-2022.
- 2. Finding 2023-009, Period of Performance under Special Education Grants to States (identified as a repeat prior year audit finding):**
  - GDOE charged costs to a federal award before the period of performance (POP) start date on July 1, 2020, for \$560 in expenditures for Purchase Order 20191313.

- GDOE charged costs to a federal award after the POP ended, as follows:
  - \$51K in FY 2024 payroll costs were charged to an award with a POP end date September 30, 2021.
  - \$16K in FY 2024 payroll costs were charged to an award with a POP end date September 30, 2022.
  - \$3.0M in FY 2024 payroll costs were charged to an award with a POP end date September 30, 2023.
- GDOE liquidated obligations of a federal award after the approved liquidation end date as follows:
  - The liquidation end date for \$18K in expenditures was on January 28, 2024. However, expenditures were liquidated from February 13, 2024 to March 27, 2024.
  - The liquidation end date for \$62K in expenditures was on January 28, 2024. However, expenditures were liquidated from January 29, 2024 to July 10, 2024.
 Based on these conditions, GDOE is in noncompliance with applicable POP requirements. **The reportable questioned cost is \$81K.**

**3. Finding 2023-012, Procurement and Suspension and Debarment under Consolidated Grant to the Outlying Areas (identified as a repeat prior year audit finding):** Of 25 transactions tested aggregating \$4.8M of \$8.2M in total non-payroll Program costs, the auditors noted the following:

- For 17 transactions, no Byrd Anti-Lobbying certification was provided. No questioned cost is presented since auditors were unable to quantify the extent of noncompliance.
- For three transactions, the small purchases method was used; however, less than three price quotations are on file.
  - The procurement of digital subscriptions and online assessments of students for reading and math includes 10 solicitations, of which two indicate “no quote.”
  - The procurement of school uniform vouchers includes six solicitations and six quotations, of which five indicated “no quote.” Additionally, auditors noted that one of the three major providers of uniforms on Guam was not solicited.
  - The procurement of professional consulting services to provide training includes eight solicitations and three quotations, of which two indicate “no quote.”

GDOE is in noncompliance with applicable procurement and suspension and debarment requirements.

**4. Finding 2023-013, Reporting under Consolidated Grant to the Outlying Areas:** Total reported amount expended per the FFY 2022 Consolidated Grant Quarterly Report, dated 10/31/2023, differs from that of underlying accounting records by \$3.5M.

**5. Finding 2023-015, Matching, Level of Effort, Earmarking under Education Stabilization Fund-State Educational Agency (Outlying Areas) (ESF-SEA) (identified as a repeat prior year audit finding):** GDOE has not submitted the final 2023 expenditure data for elementary/secondary education, higher education, and overall Outlying Area spending.

**6. Finding 2023-016, Reporting under ESF:** FY 2023 expenditure amounts reported in the required annual report differ from underlying accounting records.

**Significant Deficiencies**

**1. Finding 2023-005, Procurement and Suspension and Debarment under Child Nutrition Cluster:** For two purchase orders, aggregating \$11.6M of \$15.0M in food services, no Byrd Anti-Lobbying certification was provided.

2. **Finding 2023-006, Reporting under Child Nutrition Cluster:**
  - For all five claims tested, GDOE submitted the monthly claim beyond the required 60 days. Submissions were made 27 to 80 days after the due date.
  - Four subawards totaling \$467K are not reported in the Federal Funding Accountability and Transparency Act Subaward Reporting System.
3. **Finding 2023-007, Period of Performance under Economic, Social, and Political Development of the Territories:** GDOE charged costs to a federal award after the POP ended. GDOE is in noncompliance with applicable POP requirements. **The reportable questioned cost is \$114K.**
4. **Finding 2023-008, Procurement and Suspension and Debarment under Economic, Social, and Political Development of the Territories:** For two of three purchase orders, aggregating \$6.1M of \$6.9M in total non-payroll program costs, no Byrd Anti-Lobbying certification was provided.
5. **Finding 2023-010, Procurement and Suspension and Debarment under Special Education Grants to States (identified as a repeat prior year audit finding):** For eight of 12 purchase orders, no Byrd Anti-Lobbying certification was provided.
6. **Finding 2023-011, Period of Performance under Consolidated Grant to the Outlying Areas:** Auditors noted the following conditions:
  - GDOE charged costs to a federal award after the POP ended as follows:
    - \$850 in FY 2024 payroll costs were charged to an award with a POP end date September 30, 2017.
    - \$15K in FY 2024 payroll costs were charged to an award with a POP end date September 30, 2022.
    - \$294K in FY 2024 payroll costs were charged to an award with a POP end date September 30, 2023.
    - \$11K in FY 2024 purchase orders were charged to an award with a POP end date September 30, 2023.
  - GDOE liquidated obligations of a federal award after the approved liquidation end date of January 28, 2023 for \$884 in expenditures in October 2023 and November 2023. Based on these conditions, GDOE is not in compliance with applicable POP requirements. **The reportable questioned cost is \$11K.**
7. **Finding 2023-014, Allowable Costs/Cost Principles under ESF-SEA:** Out of \$7.5M in non-payroll expenditures for equipment, auditors noted \$5.2M pertained to the acquisition of 2,467 high efficiency particulate absorbing (HEPA) filtration units at a cost of \$2,089.05 per unit from a PO dated **July 12, 2022**. Of the 2,467 units, 181 totaling \$378K remain undistributed and uninstalled as of September 30, 2024, exceeding one year from acquisition dates in November 2022 for Simon Sanchez High School (SSHS) and February 2023 for F.B. Leon Guerrero Middle School (FBLGMS).

GDOE is in noncompliance with applicable allowable costs/cost principles requirements and property standards. **The total reportable questioned cost is \$378K.** The auditors recommended that GDOE should consider seeking guidance from ED as to the disposition of unused filtration units and any resulting compensation for the Federal share.

## **GDOE's Corrective Action Plan to Address Material Weaknesses and Significant Deficiencies**

GDOE submitted its Corrective Action Plan to address the material weaknesses and significant



deficiencies identified in its internal control over financial reporting and compliance for major federal programs. GDOE **agreed with nine findings** (Findings 2023-001 to 2023-008, 2023-010), **partially agreed with four findings** (Findings 2023-009, 2023-011, 2023-012, and 2023-014), and **disagreed with three findings** (Findings 2023-013, 2023-015, and 2023-016). In its plan of action and plan to monitor for five findings, GDOE identified the Comptroller, a position that has been vacant since April 2024, as one of the responsible officials to address several of the audit findings to ensure that they are not repeated. However, the auditors identified a lack of qualified and trained personnel and management in the Financial Affairs Division as a key reason for certain findings identified in the audit.

### **Deficiencies in Internal Control Identified in Management Letter**

The auditors issued a management letter and identified **eight deficiencies** in GDOE's internal control over financial reporting:

- 1. Liabilities:** Auditors had three comments related to liabilities:
  - As of September 30, 2023, Federal Grant accruals and expenditures were understated by \$1.3M. An audit adjustment was proposed to correct this misstatement.
  - Invoices related to bus services totaling \$1.5M were not accrued, which relate to FY 2021 and FY 2022. An audit adjustment was proposed to correct this misstatement.
  - Legal cases should be assessed by management to determine if a liability should be reported. An audit adjustment was proposed to record a \$915K misstatement representing unrecorded claims payable as of September 30, 2023.
- 2. Capital Assets:** Auditors had two comments related to capital assets:
  - Leased buildings for certain schools, warehouses, and offices were over depreciated by \$1.9M. As this amount is not considered material to the financial statements, proposed adjustment is included in the department-wide communication schedule for uncorrected misstatements.
  - GDOE's schools were not evaluated and assessed for impairment. An audit adjustment was proposed to recognize the impairment of SSHS and FBLGMS.
- 3. OPEB Census Data:** For eight out of 25 samples tested, GDOE inaccurately reported the gender information of census data submitted to the Department of Administration, which was used by the actuaries for valuing the total OPEB liability for measurement date ended September 30, 2022.
- 4. First Generation Trust Fund (FGTF):** GDOE did not close the FGTF at the end of FY 2023 contrary to the sunset provision found in the Teaching and Learning Communities Act and 17 GCA § 14208, the FGTF Initiative.
- 5. Procurement & Certification of Funds:** In December 2022, services were rendered for custodial services totaling \$203K for which procurement and certification of record was not complete or available, as required under 5 GCA § 5250. In February 2023, payment was approved and processed for these services.
- 6. Journal Voucher (JV) to Transfer Payroll Costs:** JV 13-97 was recorded to transfer \$76K of payroll costs to a different funding source due to a temporary assignment. No approved personnel action or equivalent was provided to support the transfer for the timeframe covered.
- 7. Leave Conversion:** GDOE credited back an employee's used sick leave of 176 hours and used annual leave of 76 hours based on a signed memorandum from the Acting Superintendent authorizing the sick and annual leave conversion to administrative leave.

The employee's leave of absence is not administrative in nature as provided in GDOE's personnel rules and regulations.

- 8. Governmental Accounting Standards Board (GASB) 87 Leases:** GDOE did not report a lease contract applicable under GASB 87. Unrecorded lease asset and lease liability as of September 30, 2023 amounted to \$1.9M and \$2.0M, respectively. As this amount is not considered material to the financial statements, proposed adjustment is included in the department-wide communication schedule for uncorrected misstatements.

For more details, refer to GDOE's FY 2023 Financial Statements, Reports on Compliance, Management Letter, and The Auditor's Communication With Those Charged With Governance at [www.opaguam.org](http://www.opaguam.org).