

Management Letter

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

Year Ended September 30, 2024



June 9, 2025

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

In planning and performing our audit of the financial statements of the Antonio B. Won Pat International Airport Authority, Guam (the Authority) as of and for the year ended September 30, 2024, in accordance with auditing standards generally accepted in the United States, and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, we considered its internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

During our audit, we identified other matters that we wish to bring to your attention.

Financial Statements Close Process (FSCP)

Observation:

The Accounting team posted numerous post-closing adjusting journal entries after the September 30, 2024 trial balance was provided to the audit team, which resulted to delays on providing some audit schedules and supporting documents.

Recommendation:

We recommend that the Authority establish formal closing process policies to ensure that all transactions are accurately recorded in the appropriate accounting period. In addition, we recommend implementing a monitoring system for the financial statement closing process and reassessing the team's work allocation to ensure that timelines are consistently met.

Reconciliation of Net Position

Observation:

During our audit, we noted negative restricted net position related to debt service. This is mainly due to improper classification and recording of the restricted asset components, which were initially recorded as an unrestricted asset. Management has made adjustments to correct the classification of the unrestricted assets.

Recommendation:

We recommend the Authority to perform reconciliation of net position to ensure proper reporting and presentation.

This communication is intended solely for the information and use of management and the Board of Directors of the Authority, others within the organization, and the Guam Office of Public Accountability, and is not intended to be and should not be used by anyone other than these specified parties.

We would be pleased to discuss the above matters or to respond to any questions, at your convenience.

Ernest & Young LLP