



Financial Highlights

Mount Carmel Academy Charter School Financial Audit

Fiscal Year 2024

August 25, 2025

The Mount Carmel Academy Charter School (MCS) – Guam's only private Catholic school converted to an academy charter school – received an unmodified opinion in its Fiscal Year (FY) ended September 30, 2024 financial statements and report on compliance from independent auditors Ernst & Young LLP (EY). EY did not identify any deficiencies in MCS' internal control over financial reporting and on compliance that they considered to be material weaknesses. MCS closed FY 2024 with a net position of \$150 thousand (K). FY 2024 was the first year that the Office of Public Accountability has overseen MCS' financial audit.

Revenue and Expenditures

For FY 2024, MCS received and reported a total of \$2.3 million (M) in non-contribution related revenue from the Government of Guam, which represents 78% of total \$3M allocated (\$7.5K per pupil x 400 students); however, MCS' expenditures totaled \$2.3M, with salaries and wages as the biggest operating expenditure at \$1.5M (or 64%). Enrollment for School Year 2023-2024 ranged between 326 and 400 students, which is within the authorized limit of 400 students. Upon MCS' conversion to a charter school, the increase in enrollment led to a corresponding need for additional faculty and staff to support the growing student body. Furthermore, to meet educational mandates and retain top talent, LCS also raised compensation levels across the board.

Report on Internal Control and Management Letter

For FY 2024, no significant deficiencies or material weaknesses were identified in the Report on Internal Control Over Financial Reporting and On Compliance. EY issued a separate management letter including the following two other matters:

Capital Assets

EY's examination of MCS' capital expenditure found there were no established written policies and procedures regarding asset capitalization. EY recommended that MCS establish written policies and procedures regarding asset capitalization, which include the following key components: capitalization, depreciation methodology, capital asset register, and regular review.

Payroll Accrual

EY's examination of payroll found that the payroll for pay period September 16, 2024 through September 30, 2024 with a pay date of October 4, 2024 was not accrued. EY recommended that MCS establish internal control policies and procedures requiring accrual of expenses when incurred.

For more details, refer to MCS' FY 2024 Financial Statements, Report on Internal Control Over Financial Reporting and On Compliance, Management Letter, and Auditor's Communication With Those Charged With Governance at www.opaguam.org and www.mtcarmelguam.com.