



Financial Highlights
Mount Carmel Academy Charter School Financial Audit
Fiscal Year 2025

March 4, 2026

The Mount Carmel Academy Charter School (MCS) is a component unit of the Government of Guam (GovGuam) as the only converted private catholic school to an academy charter school by the GovGuam General Fund. Enrollment for School Year (SY) 2024-2025 ranged between 500 and 529 students, which is within the authorized limit of 550 students. MCS received an unmodified opinion in its Fiscal Year (FY) 2025 ended September 30, 2025 financial statements and report on compliance from independent auditors Ernst & Young LLP (EY). EY did not identify any deficiencies in internal control that they considered to be material weaknesses.

Current assets include cash, accounts receivable, and prepaid expenses. At the end of FY 2025, cash stood at \$265 thousand (K), accounts receivable totaled \$82K, and prepaid expenses were \$6K. Accounts payable and accrued expenses came to \$285K, covering unpaid bills for utilities, materials, rent, and other approved costs at year-end. Overall, MCS closed FY 2025 with a total net position of \$106K.

Revenues and Expenditures

For FY 2025, MCS received and reported a total of \$2.9 million (M) in non-contribution related revenues from GovGuam, which is a \$601K increase (or 26%), compared to its FY 2024 total of \$2.3M. Salaries and wages account for their largest expense year over year with a total of \$2.3M in FY 2025, an increase of \$810K (or 54%), in comparison to its FY 2024 total of \$1.5M. Upon MCS' conversion to a charter school, enrollment increased and MCS required additional faculty and staff to serve its students. Due to MCS' educational mandates, they raised and maintained compensation levels across the board.

Report on Internal Control and Management Letter

For FY 2025, EY did not identify any deficiencies in internal control that they considered to be material weaknesses in the Report on Internal Control Over Financial Reporting and On Compliance. A separate management letter included one other matter that was brought to MCS management's attention regarding GASB Statement No. 87, Leases.

GASB Statement No. 87 Leases

EY found that MCS initially overlooked evaluating two lease agreements under GASB Statement No. 87, Leases. As of September 30, 2025, these leases should have been recorded with a lease asset of \$107K and a lease liability of \$108K. MCS management was aware that the lease agreements were within the scope of GASB Statement No. 87, Leases. Therefore, EY recommended that MCS management develop an implementation plan to evaluate the impact and develop processes for any new GASB Statements in order to ensure its proper adoption.

For more details, refer to MCS' FY 2025 Financial Statements, Report on Internal Control Over Financial Reporting and On Compliance, Report on Internal Control Over Financial Reporting, Management Letter, and Auditor's Communication With Those Charged With Governance at www.opaguam.org and www.mtcarmelguam.com.