

*The Auditor's Communication With Those Charged
With Governance*

University of Guam

Year ended September 30, 2025



**Shape the future
with confidence**

June 18, 2026

The Board of Regents
University of Guam

We have performed an audit of the financial statements of the business-type activities and discretely presented component unit of the University of Guam (“the University”), collectively a component unit of the Government of Guam, as of and for the year ended September 30, 2025, 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, and have issued our report thereon dated June 18, 2026.

This report summarizes our communications with those charged with governance as required by our professional standards to assist you in fulfilling your obligation to oversee the financial reporting and disclosure process.

REQUIRED COMMUNICATIONS

Professional standards require the auditor to provide the Board of Regents with additional information regarding the scope and results of the audit that may assist the Board in overseeing the financial reporting and disclosure processes which the management of the University is responsible. We summarize these required communications as follows:

Overview of the planned scope and timing of the audit

Our audit scope and timing is consistent with the plan communicated in our engagement letter dated October 24, 2022 and at our audit planning meeting with management.

Auditors’ Responsibilities under Auditing Standards Generally Accepted in the United States (US GAAS) and Generally Accepted Government Auditing Standards (GAGAS)

The financial statements, required supplementary information and supplementary information are the responsibility of the University’s management as prepared with the oversight of those charged with governance. Our audit was designed 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, to obtain reasonable, rather than absolute, assurance that the financial statements are free of material misstatement.

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 express no such opinion.

An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation.

Our responsibilities are included in our audit engagement letter.

We issued an unmodified opinion on the University's financial statements as of and for the year ended September 30, 2025.

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

Our audit strategy is consistent with the plan communicated during the September 2025 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 the University'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**
- **Financial statement**

Management has not selected or changed any significant policies or changed the application of those policies in the current year, except for the implementation of the requirements of Government Accounting Standards Board (GASB) Statement 101, *Compensated Absences*.

A discussion of significant accounting policies and estimates has been included in Note 1 of the 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.

Related party relationships and transactions

We noted no significant matters regarding the University's relationships and transactions with related parties other than those disclosed in Notes 7 and 13 to the financial statements.

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

None.

Significant unusual transactions

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

New accounting pronouncements

We have not identified issues regarding management's planned application of new accounting pronouncements.

Independence matters

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

Obtain information relevant to the audit

Inquiries regarding matters relevant to the audit were performed during the September 2025 meeting and at the update status meetings during the audit.

- Fraud and noncompliance with laws and regulations (illegal acts)
- Tips or complaints regarding the University's financial reporting
- Significant unusual transactions
- Subsequent events

Significant findings or issues arising during the audit that were discussed, or were the subject of correspondence, with management

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 difficulties encountered in dealing with management in performing the audit.

Management's consultations with other accountants

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

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 the "Summary of Corrected Misstatements" in Appendix A.

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

Current period uncorrected misstatements could potentially cause future-period financial statements to be materially misstated, even if they are immaterial to the current period financial statements. Refer to the “Management Representations Letter” in Appendix B.

Deficiencies in internal control over financial reporting

In planning and performing our audit of the financial statements of the University as of and for the year ended September 30, 2025, we considered its internal control over financial reporting 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 University’s internal control. Accordingly, we do not express an opinion on the effectiveness of the University’s internal control. Our consideration of internal control was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies, and therefore, material weaknesses or significant deficiencies might exist that were not identified. As a result of those procedures, the following material weakness was identified:

<u>Description of deficiency</u>	<u>Accounts/disclosures impacted</u>	<u>Relevant assertions</u>	<u>Remediated by period end?</u>
Significant unusual related party transactions not appropriately analyzed and recorded	Receivable from Foundation, Non-depreciable capital assets, Lease asset, Loan payable to the Foundation	Completeness, Existence, Presentation and disclosure	Yes

Representations we are requesting 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 B.

Other information included in annual report

There was no other information available as of the date of our audit report.

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 the University 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.

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.

Engagement team’s involvement with preparation of the financial statements

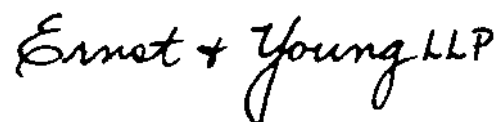
Under GAS 2018 Revision, Chapter 3 Ethics, Independence and Professional Judgment, Paragraphs 3.73-74 explains that the audit team should make consideration of management’s ability to effectively oversee the non-audit services to be provided. The engagement team should determine that the audited entity has designated an individual who possesses suitable skill, knowledge or experience and that the individual understands 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 control review was performed by a qualified Ernst & Young Partner who was not otherwise involved in the audit.
- The preparation of the financial statements is based on the University’s trial balance with our understanding that the University’s underlying books and records are maintained by the University’s accounting department and that the final trial balance prepared by the University is complete.
- All adjusting journal entries that Ernst & Young posted to the trial balance have been approved by management of the University.
- The University’s Vice President for Administration and Finance and Chief Business Officer and the Comptroller have the skill sets to oversee and review the completeness and accuracy of the financial statements and footnote disclosures.

This communication is intended solely for the information and use of the Board of Regents and management and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,



Appendices

A – Summary of Corrected Misstatements

B – Management Representations Letter

A – Summary of Corrected Misstatements

Communication schedule for corrected misstatements									
Entity: University of Guam		Period ended: 30-Sep-2025			Currency: USD				
Corrected 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 statement effect of the current period	
	(misstatements are recorded as journal entries with a description)	Debit/(Credit)	Debit/(Credit)	Debit/(Credit)	Debit/(Credit)	Debit/(Credit)	Debit/(Credit)	Debit/(Credit)	Non taxable
1	To record true expense/derecognize CIP as a result of error correction								
	Nonoperating expense							13,467,351	X
	Non-depreciable capital assets		(13,467,351)						
2	To record receivable from UOGEF for UOG's assistance in the construction of School of Engineering (SENG) and Student Success Center (SSC)								
	Receivable from University of Guam Foundation	13,467,351							
	Nonoperating revenues							(13,467,351)	X
3	To derecognize the loan payable to UOGEF and reduce receivable from UOGEF								
	Loan payable to University of Guam Endowment Foundation			16,287,029					
	Receivable from University of Guam Foundation	(16,287,029)							
4	To reclassify CIP to lease asset for the initial direct costs of the University for the construction of the SENG and SSC								
	Lease asset		3,087,446						
	Non-depreciable capital assets		(3,087,446)						
Total of corrected misstatements before income tax		(2,819,678)	(13,467,351)	16,287,029	0	0	0	0	0
Financial statement amounts		32,418,463	188,071,850	(26,958,558)	(303,276,590)	109,744,835		(947,244)	
Effect of corrected misstatements on F/S amounts		-8.7%	-7.2%	-60.4%	0.0%	0.0%		0.0%	

B – Management Representations Letter



UNIVERSITY OF GUAM
OFFICE OF THE PRESIDENT

June 18, 2026

Ernst & Young LLP
Suite 201 Ernst & Young Building
231 Ypao Road,
Tamuning, Guam 96913

In connection with your audits of the financial statements of the University of Guam (“the University” or “UOG”), as of September 30, 2025 and 2024 and for the periods then ended we recognize that obtaining representations from us concerning the information contained in this letter is a significant procedure in enabling you to form an opinion whether the financial statements present fairly, in all material respects, the respective financial position of the business-type activities and discretely presented component unit of the University of Guam and the respective changes in financial position and cash flows, where applicable, thereof, and the related notes (collectively referred to hereafter as the “basic financial statements”), in accordance with accounting principles generally accepted in the United States of America (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 October 24, 2022, for the preparation and fair presentation of the financial statements in accordance with US GAAP applied on a basis consistent with that of the preceding periods, except for the effects of adopting new accounting standards.

In preparing the financial statements, we evaluated whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the University’s ability to continue as a going concern for twelve months beyond the financial statement date, including consideration of any currently known information that may raise substantial doubt shortly thereafter.

We acknowledge our responsibility for the design, implementation and maintenance of internal controls 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:

Tel: +1 671.735.2990 Fax: +1 671.734.2296 Web: www.uog.edu
303 University Drive, UOG Station, Mangilao, Guam 96923

The University of Guam is a U.S. Land Grant and Sea Grant Institution accredited by the WASC Senior College and University Commission. UOG is an equal opportunity provider and employer committed to island wisdom values of inoadahi van inoaofii’e: respect, compassion, and community.

B – Management Representations Letter, continued

OFFICE OF THE PRESIDENT
UOG Management Rep Letter-FS

- 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, documentation and other matters. This responsibility includes identifying the use of new technologies or techniques in preparing such information (e.g., the use of generative artificial intelligence), and additional details you may require regarding the use of any such technologies and techniques in order to perform your audit procedures.
- Additional information that you have requested from us for the purpose of the audit
- Unrestricted access to persons within the University 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.

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

From October 1, 2024 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 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 comprise 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 misstatements (including those related to supplementary information), summarized in the accompanying schedule (Appendix A), accumulated by you during the current and prior audit period presented are immaterial, both individually and in the aggregate, to the financial statements for each opinion unit and to the supplementary information.

In addition, to the extent that uncorrected misstatements (including those related to supplementary information) have been subsequently identified in the current period that affect prior period financial statements, we have evaluated the effect of correcting prior period financial statements and believe that the effects of the uncorrected misstatements summarized in the accompanying schedule, are immaterial, both individually and in the aggregate, to both the current and prior period financial statements for each opinion unit and the supplementary information.

Financial reporting entity and net position

We have identified and accounted all component units as well as joint ventures with an equity interest, and properly disclosed all other joint ventures and other related organizations. The basic financial statements include all fiduciary activities as required by Governmental Accounting Standards Board (GASB) Statement No.84.

B – Management Representations Letter, continued

OFFICE OF THE PRESIDENT
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We have identified and properly classified all funds and activities in accordance with GASB Statement No. 54—as amended. 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.

All funds that meet the quantitative criteria in GASB Statement No. 34—as amended and GASB Statement No. 37—as amended, for presentation as major are identified and presented as such and all other funds that are presented as major are particularly important to financial statement users.

Components of net position (net investment in capital assets; restricted; and unrestricted) and classifications of fund balance (nonspendable fund balance, and restricted, committed, assigned, and unassigned) are properly classified and, if applicable, approved. We properly recognized, in accordance with our policy, whether to first apply restricted or unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position are available.

Internal control

We have communicated to you all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting.

There have been no significant changes in internal control since latest statement of net position date.

Minutes and contracts

The dates of meetings of directors, committees of directors and important management committees from the beginning of the period covered by the basic financial statements to the date of this letter are as follows:

<u>Date Meeting</u>	<u>Type</u>
December 12, 2024	Special Meeting of the Board of Regents (BOR)
February 20, 2025	Regular Meeting of the Board of Regents (BOR)
April 24, 2025	Regular Meeting of the Board of Regents (BOR)
May 29, 2025	Special Meeting of the Board of Regents (BOR)
August 18, 2025	Special Meeting of the Board of Regents (BOR)
September 25, 2025	Regular Meeting of the Board of Regents (BOR)
November 25, 2025	Regular Meeting of the Board of Regents (BOR)
January 14, 2026	Special Meeting of the Board of Regents (BOR)
February 19, 2026	Regular Meeting of the Board of Regents (BOR)

We have made available to you all minutes of the meetings of directors and committees of directors or summaries of actions of recent meetings for which minutes have not yet been prepared.

We also have made available to you all significant agreements and contracts, including amendments, and have communicated to you all significant oral agreements. We have complied

B – Management Representations Letter, continued

OFFICE OF THE PRESIDENT
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with all aspects of contractual agreements that have a material effect on the basic financial statements.

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 fair value measurements, are reasonable and supportable.

Certain risk disclosures

There are no risks related to vulnerabilities due to material concentrations or constraints in accordance with the GASB Statement No. 102, *Certain Risk Disclosures*.

Ownership and pledging of assets

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 the University has satisfactory title appear on the statements of net position.

Receivables and revenues

Adequate provision has been made for any receivable as of the latest statement of net position dates that may not be collectible, including any losses, costs and expenses that may be incurred related to the collection of those receivables.

Inventories

Inventories, including goods that are defective, slow-moving, obsolete or unusable, are stated at amounts not in excess of their estimated market values.

Physical counts and measurements of inventories were made by competent employees under the supervision of management and book records were appropriately adjusted after giving recognition to cut-off for materials received and products shipped.

Adequate provision has been made for losses under firm purchase commitments for goods or inventory. There have been no reductions of the selling prices of finished goods subsequent to the latest statement of net position dates and none are contemplated.

Deposit, investment securities, and investment derivative risk disclosures

Information about deposits, investment securities and derivative transactions are presented and disclosed in accordance with the GASB requirements. Those balances with credit risk, concentrations of credit risk, interest rate risk, and foreign currency risk have been properly disclosed in the basic financial statements.

Leases

We have identified and accounted for all contracts (including any modifications thereto) that meet the criteria to be accounted for as a lease under GASB No. 87—as amended. We have appropriately

B – Management Representations Letter, continued

OFFICE OF THE PRESIDENT
UOG Management Rep Letter - FS

considered any renewal, termination or purchase options in those contracts. We also believe other relevant assumptions (e.g., economic life, fair value, and residual value) made for purposes of accounting for lease arrangements are reasonable and supportable estimates.

Subscription-Based Information and Technology Arrangements (SBITA)

We have identified and accounted for all contracts that meet the criteria to be accounted for as a SBITA under GASB Statement, 96—as amended. We have appropriately considered any modifications or terminations in the contract.

To measure the SBITA liability, we used the rate the SBITA vendor charges us or the rate implicit in the SBITA. When the interest rate could not be readily determined, we estimated our incremental borrowing rate (IBR). We believe our IBR is a reasonable estimate and represents an estimate of the interest rate that would be charged for borrowing the SBITA payment amounts during the SBITA term.

Prepayments

We believe that all material expenses for which recognition will be recognized in future periods are recoverable.

Capital assets

Capital assets, including infrastructure and intangible assets, are properly capitalized, reported and, if applicable, depreciated.

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 basic financial statements and believe this information to be reliable and consistent with the requirements of GASB Statement No. 72—as amended.

Any changes made in the valuation technique or its application used to measure fair value have resulted in a measurement that is more representative of fair value in the circumstances.

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.

B – Management Representations Letter, continued

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

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 basic financial statements.

Debt

We have complied with debt limits and debt related covenants.

We have properly separated information in debt disclosures related to direct borrowings and direct placements of debt from other debt and disclosed any unused lines of credit, collateral pledged to secure debt, terms in debt agreements related to significant default or termination events with finance-related consequences, and significant subjective acceleration clauses in accordance with GASB Statement No. 88—as amended.

Events of default under debt agreements

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

Compensated absences

The assumptions used in our compensated absence balance represent our best estimates as of the statement of net position dates. We have applied consistent and appropriate assumptions and evaluated the accuracy and completeness of the data used in making the accounting estimate.

Contingencies and other 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.

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.

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.

B – Management Representations Letter, continued

OFFICE OF THE PRESIDENT
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There are no other liabilities considered material, individually or in the aggregate, that are required to be accrued or disclosed. There are also no other 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, nor are there any accruals for loss contingencies included in the statements of net position or gain contingencies 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 including guarantees of the debt of others.

Purchase commitments

As of the statement of net position dates, the University 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 the statement of net position dates as a result of being a party to futures or forwards contracts, short sales or hedge transactions.

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.

Classification and allocation of revenues and expenses

We have distinguished between operating and nonoperating revenues and expenses based on our policy that defines operating revenues and expenses that is appropriate to the nature of the activity being reported, and we apply the policy consistently from period to period.

Expenses have been appropriately classified in or allocated to functions and programs in the statements of activities, and allocations have been made on a reasonable basis.

Non-compliance with laws and regulations, including fraud

We acknowledge that we are responsible to determine that the University's activities are conducted in accordance with laws, regulations, and provisions of contracts and grant agreements and that we are responsible for identifying and addressing any non-compliance with applicable laws, regulations, and provisions of contracts and grant agreements, including fraud.

B – Management Representations Letter, continued

OFFICE OF THE PRESIDENT
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We acknowledge our responsibility for the design, implementation and maintenance of internal controls 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 known actual or suspected noncompliance with laws, regulations, and provisions of contracts and grant agreements whose effects should be considered when preparing the financial statements.

We have no knowledge of any fraud or suspected fraud involving management or other employees who have a significant role in the University's internal control over financial reporting. In addition, we have no knowledge of any fraud or suspected fraud involving other employees where the fraud could have a material effect on the financial statements. We have no knowledge of any allegations of financial improprieties, including fraud or suspected fraud, (regardless of the source or form and including without limitation, any allegations by "whistleblowers") that could result in a misstatement of the financial statements or otherwise affect the financial reporting of the University.

Independence

We have communicated to you the names of the University's affiliates, as defined in the AICPA Code of Professional Conduct ET section 1.224.020 *State and Local Government Client Affiliates*, officers and directors, or individuals who serve in such capacity for the University.

We are not aware of any business relationship between the University and Ernst & Young LLP or any other member firm of the global Ernst & Young organization (any of which, an "EY Firm"), other than one pursuant to which an EY Firm performs professional services.

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

Conflicts of interest

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

Required supplementary information

We acknowledge our responsibility for the required supplementary information on the management's discussion and analysis on pages 5 through 16, the schedule of proportionate share of net pension liability on pages 69, 71, and 73, the schedule of contributions on pages 70, 72 and 74, and the schedule of proportionate share of other postemployment benefits liability on page 75, which have been measured and presented in accordance with the guidelines and/or objectives established by the Governmental Accounting Standards Board in its applicable GASB Statement.

B – Management Representations Letter, continued

OFFICE OF THE PRESIDENT
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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.

Supplementary information

We are responsible for the preparation and fair presentation of the schedules (the “supplementary information”) and its form and content in conformity with the GASB.

- Schedule 8 – Schedule of Salaries, Wages and Benefits
- Schedule 9 – Schedule of Expenses by Object Category
- Schedule 10 – Schedule of Employee Information
- Schedule 11 – Schedule of Total Revenue Information
- Schedule 12 – Schedule of Fund Restriction Matrix
- Notes to Fund Restriction Matrix

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

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.

Other information

We confirm that we have not identified any other information as defined in AICPA AU-C 720, *The Auditor's Responsibilities Relating to Other Information Included in Annual Reports*.

Subsequent events

Subsequent to the latest statement of net position date, no events or transactions have occurred or are pending that would have a material effect on the basic financial statements at that date or for the period then ended, or that are of such significance in relation to the University'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, where applicable, cash flows of the University.

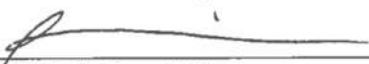
We understand that your audits were conducted in accordance with auditing standards generally accepted in the United States of America as established by the American Institute of Certified Public Accountants and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States of America and were,

B – Management Representations Letter, continued

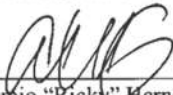
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therefore, designed primarily for the purpose of expressing an opinion on the basic financial statements of the University and that your tests of the accounting records and other auditing procedures were limited to those that you considered necessary for that purpose.

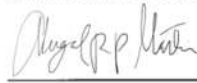
Very truly yours,



Anifa Borja Enriquez, DBA
President for the University of Guam



Artemio "Ricky" Hernandez, Ph.D.
Vice President for Administration and Finance and
Chief Business Officer



Abigail Martin
Comptroller for Administration and Finance

Attach: APPENDIX A

B – Management Representations Letter, continued

APPENDIX A

Communication schedule for uncorrected misstatements

Entity: University of Guam

Period Ended: 30-Sep-2025

Currency: US\$

Uncorrected misstatements		Analysis of misstatements Debit/(Credit)										Income statement effect of the prior period	
No.	W/P ref.	Account (Note 1)	Assets Current	Assets Non-current	Liabilities Current	Liabilities Non-current	Equity components	Effect on the current period OCI	Income statement effect of the current period		Prior period Debit/(Credit)	Non taxable	
(misstatements are recorded as journal entries with a description)			Debit/(Credit) (Note 2)	Debit/(Credit) (Note 2)	Debit/(Credit) (Note 2)	Debit/(Credit) (Note 2)	Debit/(Credit)	Debit/(Credit)	Debit/(Credit)	Non taxable			
Total of uncorrected misstatements			0	0	0	0	0	0	0	0			
Financial statement amounts			32,418,463	188,071,850	(26,958,938)	(203,276,589)	109,744,839			(947,244)		5,302,132	
Effect of uncorrected misstatements on F/S amounts			0.0%	0.0%	0.0%	0.0%	0.0%			0.0%		(11.0%)	
Memo: Total of non-taxable items (marked 'X' above)												(585,468)	
Uncorrected misstatements before income tax									0.0%	0		(585,468)	
Less: Tax effect of misstatements at current year marginal rate									0%	0		0	
Uncorrected misstatements in income tax												0	
Cumulative effect of uncorrected misstatements after tax but before turnaround									0.0%	0		(585,468)	
Turnaround effect of prior period uncorrected misstatements													
All factual and projected misstatements:										After tax	Memo: Before tax		
Judgmental misstatements (Note 3):										585,468	585,468		
Cumulative effect of uncorrected misstatements, after turnaround effect									-0.0%	0		0	
Current year income before tax												(947,244)	
Current year income after tax												(947,244)	