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June 27, 2005

Board of Trustees  
Guam Community College:

Gentlemen:

In planning and performing our audit of the financial statements of Guam Community College (the College) for the year ended September 30, 2004, on which we have issued our report dated June 27, 2005, we developed the following recommendations concerning matters related to its internal control. Our recommendations are summarized below:

#### **Finding No. 1 – Cash Receipts Issuance**

##### **Criteria:**

Prenumbered cash receipts should be used in sequence and booklets should be signed out when issued to other departments.

##### **Condition:**

The last receipt # 23347 and the first receipt # 23751 issued at the end and at the beginning of the fiscal year are not in sequence. Also, we noted that the sign out sheet has not been properly updated.

##### **Recommendation:**

We recommend that cash receipts issued be monitored as anticipated in the criteria.

#### **Finding No. 2 – Travel Documentation**

##### **Criteria:**

The College should provide documentation to support that the lowest cost of travel was obtained.

##### **Condition:**

Only one price quotation was obtained for the following travel expenditures:

<u>P.O. #</u>	<u>G/L Amount</u>
M4T035	\$ 1,851.86
M4T051	1,080.00
M4T050	1,266.36
M4T016	1,784.86

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**Finding No. 2 – Travel Documentation, Continued**

**Recommendation:**

The College should consider ensuring that price quotations are obtained and that travel agencies are rotated.

**Finding No. 3 – Travel Policy**

**Criteria:**

In accordance with the College's travel policy, a person traveling by an indirect route for personal convenience should bear any extra expense over the direct travel airfare. However, there is no clear policy on who bears the travel expense in the event that a conference/convention is cancelled and the ticket is nonrefundable.

**Condition:**

An instance occurred when an employee, traveling an indirect route to attend a conference that was cancelled. The ticket could not be refunded.

**Recommendation:**

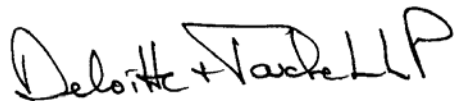
We recommend that management review the travel policy to ensure that the condition is addressed.

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This report is intended solely for the information and use of the Board of Trustees and management of the Guam Community College and the Office of the Public Auditor of Guam.

We wish to express our appreciation for the cooperation of the staff and management of the College during the course of our audit. We would be available to discuss any questions that you may have concerning the above comments at your convenience.

Very truly yours,

A handwritten signature in black ink that reads "Deloitte + Tuck LLP". The signature is stylized, with the "D" being large and the "LLP" being written in a cursive-like font.